

## Exhibit 1

Page 1		Page 3	
1	IN THE UNITED STATES DISTRICT COURT FOR THE WESTERN DISTRICT OF MISSOURI WESTERN DIVISION	1	Page
2		2	Exhibit No. 8 110
3		3	Documents Bates numbered 3576 through 82
4	LAURA FRANCES HAYS, on behalf of herself and all others similarly situated,	4	Exhibit No. 9 126
5		5	Documents Bates number NNA4929 through 31
6	Plaintiffs,	6	Exhibit No. 10 133
7	vs. Case No. 4:17-CV-00353-BCW	7	Documents with Bates number NNA3622 through 35
8	NISSAN NORTH AMERICA INC.,	8	Exhibit No. 11 160
9	NISSAN MOTOR COMPANY, LTD.	9	Documents Bates Numbered 4214 through 21
10	Defendants.	10	Exhibit No. 12 162
11		11	Documents Bates Numbered 4423 through 24
12	CONFIDENTIAL TRANSCRIPT	12	Exhibit No. 13 168
13		13	Document Bates numbered NNA4843 through 852
14	Videotaped Deposition of:	14	Exhibit No. 14 171
15	STEVEN MILLER	15	Documents Bates Number NNA4809 through 11
16	Taken on behalf of the Plaintiffs September 26, 2018	16	Exhibit No. 15 174
17		17	Document Bates Numbered NNA2509 through 18
18		18	Exhibit No. 16 176
19		19	Document Bates Numbered 4075
20		20	Exhibit No. 17 180
21		21	Documents Bates Number NNA4096 through 4192
22		22	Exhibit No. 18 184
23		23	Documents Bates Numbered NNA4238 through 52
24		24	Exhibit No. 19 186
25		25	Document Bates Numbered NNA2588 through 90
			Exhibit No. 20 191
			Documents Bates Numbered 2482

Page 2		Page 4	
1	I N D E X	1	Page
2		2	
3	TESTIMONY OF STEVEN MILLER	3	Exhibit No. 21 193
4	Examination	4	Document Bates Numbered NNA2988
5	By Mr. Calabro 10	5	Exhibit No. 22 200
6	Examination	6	Documents Bates Numbered 2633
7	By Mr. Law 361	7	Exhibit No. 23 202
8		8	Documents Bates Numbered NNA2241 through 45
9	Examination	9	Exhibit No. 24 206
10	By Mr. Calabro 362	10	Documents Bates Numbered NNA2674 through 80
11	E X H I B I T S	11	Exhibit No. 25 208
12	Page	12	Document Bates Numbered 2700
13	Exhibit No. 1 14	13	Exhibit No. 26 211
14	Notice of Deposition	14	Document Bates Numbered NNA5112 through 120
15	Exhibit No. 2 28	15	Exhibit No. 27 214
16	Documents Bates Numbered NNA3583 through 3621	16	Document Bates Numbered NNA2495
17	Exhibit No. 3 39	17	Exhibit No. 28 217
18	Documents Bates Numbered NNA 1613 through 1617	18	Documents Bates Numbered NNA2705 through 09
19	Exhibit No. 4 44	19	Exhibit No. 29 221
20	E-mail dated 7/13/2011 with attachment	20	Document Bates Numbered NNA6131
21	Exhibit No. 5 83	21	Exhibit No. 30 235
22	Email chain starting with date of May 21, 2013	22	Document Bates Number NNA3342 through 51
23	Exhibit No. 6 100	23	Exhibit No. 31 238
24	Document Bates Numbered NNA281	24	Documents Bates numbered NNA5036 through 37
25	Exhibit No. 7 100	25	Exhibit No. 32 269
	Document Bates Numbered 3025		Document Bates Numbered 4425 through 54
			Exhibit No. 33 275
			Document Bates Numbered NNA3245 through 53

Page 5		Page 7	
1	Exhibit No. 34 277 Document Bates Numbered NNA5204 through 5206	1	
2		2	Page
3	Exhibit No. 35 278 Document Bates Numbered NNA4586 through 98	3	Exhibit No. 59 339 Documents Bates Numbered NNA2576 through 80
4		4	
5	Exhibit No. 36 282 Documents Bates Numbered NNA3803 through 15	5	Exhibit No. 60 340 Document Bates Numbered 2581 through 87
6		6	
7	Exhibit No. 37 284 Document Bates Numbered NNA2725 and 26	7	Exhibit No. 61 340 Documents Bates Numbered NNA5048 through 52
8		8	
9	Exhibit No. 38 289 Document with Bates Numbered NNA3429 through 38	9	Exhibit No. 62 340 Documents Bates Numbered NNA5053 through 54
10		10	
11	Exhibit No. 39 292 Document Bates Numbered NNA5065 through 80	11	Exhibit No. 63 343 Documents Bates Numbered NNA4564 through 65
12		12	
13	Exhibit No. 40 292 Documents Bates Numbered NNA1701 through 13	13	Exhibit No. 64 347 Document Bates Numbered NNA105
14		14	Exhibit No. 65 348 Graph
15	Exhibit No. 41 292 Documents Bates Numbered NNA1699 through 70	15	
16		16	
17	Exhibit No. 42 301 Documents Bates Numbered NNA2567 through 69	17	
18		18	
19	Exhibit No. 43 304 Document Bates Numbered NNA2261	19	
20	Exhibit No. 44 306 Documents Bates Numbered NNA2211 through 19	20	
21		21	
22	Exhibit No. 45 308 Documents Bates Numbered NNA1986 Through 2205	22	
23		23	
24	Exhibit No. 46 309 Documents Bates Numbered 1618 through 1656	24	
25		25	

Page 6		Page 8	
1		1	
2		2	A P P E A R A N C E S
3	Page	3	
4	Exhibit No. 47 309 Document Bates Numbered NNA1680 through 1696	4	For the Plaintiffs:
5		5	MR. J. TOBI CALABRO Attorney at Law Williams, Dirks, Damerson LLC 460 Nichols Road Suite 200 Kansas City, MO 64112 Calabro@stuevesiegel.com (816)714-7140
6	Exhibit No. 48 320 Document Bates Numbered NNA3026	6	
7	Exhibit No. 49 323 Document Bates Numbered NNA01595 through 1602	7	
8		8	
9	Exhibit No. 50 323 Document Bates Numbered 1603 and 1610	9	
10		10	For the Defendants:
11	Exhibit No. 51 324 Document Bates Numbered NNA4581 through 85	11	MS. MICHELLE SOUSLEY Attorney at Law 255 Grand Blvd Kansas City, MO 64108 Msousley@shb.com
12		12	
13	Exhibit No. 52 329 Document Bates Numbered NNA5008 through 512	13	
14		14	MR. H. GRANT LAW Attorney at Law Shook, Hardy & Bacon, LLP One Montgomery Street Suite 2700 San Francisco, CA 94104 Hlaw@shb.com (415)544-1900
15	Exhibit No. 53 333 Document Bates Numbered NNA2748 through 50	15	
16		16	MR. ERIC W. SMITH Attorney at Law Senior Counsel Nissan North America, Inc. One Nissan Way Franklin, TN 37067 Ew.smith@nissan-usa.com
17	Exhibit No. 54 337 Document Bates Numbered NNA2751	17	
18	Exhibit No. 55 337 Documents Bates Numbered NNA4090 through 93	18	
19		19	
20	Exhibit No. 56 337 Document Bates Numbered NNA2519 through 24	20	
21		21	
22	Exhibit No. 57 339 Documents Bates Numbered NNA2533 through 66	22	
23		23	Videographer:
24	Exhibit No. 58 339 Documents Bates Numbered NNA2573 through 2574	24	JENNIFER JOHNSON
25		25	

2 (Pages 5 to 8)

<p>Page 9</p> <p>1 THE VIDEOGRAPHER: We are now on the 2 record. Today's date is September 26, 2018, and the 3 time is 8:59 a.m. This is a video recorded 4 deposition of 30(b)(6) in the matter of Hayes versus 5 Nissan North America, Incorporated. 6 This deposition is being held today at 7 1600 Division, Nashville Tennessee. The reporter's 8 name is April Howard. My name is Jennifer Johnson. 9 I am a certified legal videographer. 10 Would the attorneys present please 11 introduce themselves. 12 MR. CALABRO: Toji Calabro for 13 Plaintiff. 14 MR. LAW: Grant Law for Defendant Nissan 15 North America. 16 MS. SOUSLEY: Michelle Sousley for 17 Defendant Nissan North America. 18 MR. SMITH: Eric Smith, Nissan North 19 America. 20 THE VIDEOGRAPHER: Would the court 21 reporters -- would the court reporter please swear 22 in the witness. 23 (WHEREUPON, the witness was sworn in by 24 the court reporter.) 25 ///</p>	<p>Page 11</p> <p>1 a sticky dash. The second was a -- for the F15 Juke 2 transmission. 3 Q. Both related to your work at Nissan? 4 A. That's correct. 5 Q. Any other depositions that you've been 6 involved in? 7 A. None that I've gone to deposition on, no. 8 Q. What was the name of the case involving the 9 L32 sticky dash? 10 A. I -- I don't recall. 11 Q. Do you remember when that case or that 12 deposition took place? 13 A. Approximately three years ago. 14 Q. Okay. And what about the F15 case? 15 A. That was in -- within this year. 16 Q. Do you remember the -- remember the name of 17 that case? 18 A. I don't recall. 19 Q. Were you serving as Nissan's Rule 30(b)(6) -- 20 A. Yes. 21 Q. -- designee in both cases? 22 A. Yes. 23 MR. LAW: You've got to wait for him to 24 finish his question. 25 THE WITNESS: All right.</p>
<p>Page 10</p> <p>1 * * * 2 STEVEN MILLER, 3 was called as a witness, and after having been duly 4 sworn, testified as follows: 5 6 EXAMINATION 7 QUESTIONS BY MR. CALABRO: 8 Q. Please state your name for the record. 9 A. Stephen Michael Miller. 10 Q. Mr. Miller, what do you do for a living? 11 A. I am an eng- -- engineering manager in a 12 group for Nissan North America known as field 13 quality assurance. 14 Q. And, sir, you're here to testify as Nissan's 15 Rule 30(b)(6) designee; is that right, sir? 16 A. That's correct. 17 Q. All right. Have you ever been deposed 18 before? 19 A. I have. 20 Q. How many times? 21 A. Two times -- 22 Q. Okay. 23 A. -- previously. 24 Q. What were the natures of those cases? 25 A. The first case was on an Altima L32 model for</p>	<p>Page 12</p> <p>1 BY MR. CALABRO: 2 Q. I'll do it again. 3 Were you serving as Nissan's Rule 30(b)(6) 4 designee in both cases? 5 A. Yes. 6 Q. Okay. I'm sure you're a little bit familiar 7 with this, but I'll lay down some ground rules just 8 to make sure we're all on the same page. You 9 understand that you're under oath, sir? 10 A. Yes, I do. 11 Q. You understand that you're testifying here 12 subject to penalties of perjury just as if you were 13 testifying in court? 14 A. Yes. 15 Q. Okay. You know it's important to give verbal 16 answers because we have a court reporter who's 17 writing everything down? 18 A. Yes, I understand. 19 Q. Okay. And it's important to try to let me 20 finish my question before you answer and I'll try to 21 let you finish your answer before I start my next 22 question, okay, sir? 23 A. Okay, I understand. 24 Q. I know it's easy to get conversational 25 because that's how we all talk, but for the court</p>

3 (Pages 9 to 12)

<p>Page 13</p> <p>1 reporter's sake we'll try to not talk over each</p> <p>2 other, okay?</p> <p>3 A. I understand, yes.</p> <p>4 Q. At times Mr. Law may object throughout the</p> <p>5 deposition. That is just for the record since</p> <p>6 there's no judge who can rule on them here. So,</p> <p>7 unless he instructs you not to answer, his objection</p> <p>8 is just for the record, and then you can proceed to</p> <p>9 answer my question, okay?</p> <p>10 A. Okay.</p> <p>11 Q. Okay. Sir, are you taking any medication or</p> <p>12 anything else that may affect your memory or your</p> <p>13 ability to give your best testimony today?</p> <p>14 A. Nothing that would affect my memory or to</p> <p>15 give best testimony.</p> <p>16 Q. All right. I'm going to start by marking as</p> <p>17 Exhibit 1 --</p> <p>18 MR. CALABRO: How do you want to handle</p> <p>19 the -- we can go off the record.</p> <p>20 THE VIDEOGRAPHER: We're off the record</p> <p>21 at 9:03 a.m.</p> <p>22 (Short break.)</p> <p>23 THE VIDEOGRAPHER: We are back on the</p> <p>24 record at 9:05 a.m.</p> <p>25 ///</p>	<p>Page 15</p> <p>1 MR. LAW: And just -- be on the record</p> <p>2 that we restricted it to the organizational</p> <p>3 structure as it relates to the investigation of the</p> <p>4 floor boards and the design of the floor boards and</p> <p>5 the repair. So not the ov- -- overall global, but</p> <p>6 I -- I think for the purposes of this case, he's --</p> <p>7 he's certainly prepared to address that.</p> <p>8 THE WITNESS: Yes.</p> <p>9 BY MR. CALABRO:</p> <p>10 Q. Okay. The identity and structure of</p> <p>11 Defendants' offices, divisions, and facilities that</p> <p>12 are responsible for maintaining complaints related</p> <p>13 to the 2002, 2006 Nissan Altima, you're prepared to</p> <p>14 testify on behalf of Nissan with respect to that</p> <p>15 topic?</p> <p>16 A. Yes.</p> <p>17 Q. You're prepared to testify on behalf of</p> <p>18 Nissan with respect to the identity and structure of</p> <p>19 Defendants' offices, divisions, and facilities that</p> <p>20 are responsible for responding to and/or resolving</p> <p>21 complaints related to the rusting of the 2002, 2006</p> <p>22 Nissan Altima floorboard.</p> <p>23 A. Yes.</p> <p>24 Q. And just to speed this up --</p> <p>25 A. Yeah.</p>
<p>Page 14</p> <p>1 BY MR. CALABRO:</p> <p>2 Q. Sir, we'll mark as Exhibit 1, the notice of</p> <p>3 deposition in this case.</p> <p>4 (WHEREUPON, the above-mentioned</p> <p>5 document was marked as Exhibit Number 1.)</p> <p>6 BY MR. CALABRO:</p> <p>7 Q. Have you seen this notice before, sir?</p> <p>8 A. (Witness reviews document.)</p> <p>9 Yes, I have.</p> <p>10 Q. Okay. All right. And so you understand that</p> <p>11 you're testifying on behalf of Nissan North America</p> <p>12 in this deposition?</p> <p>13 A. Yes.</p> <p>14 Q. Okay. And you understand that you're</p> <p>15 designated to testify on behalf of Nissan with</p> <p>16 respect to the categories referenced in Exhibit A</p> <p>17 [sic] starting on page 4 of the notice, Exhibit 1.</p> <p>18 MR. LAW: And subject to the objections</p> <p>19 and restrictions that were tendered in the response.</p> <p>20 THE WITNESS: Yes, I understand.</p> <p>21 BY MR. CALABRO:</p> <p>22 Q. All right, sir. So if we look at number 1,</p> <p>23 you're prepared to testify about the general</p> <p>24 organizational management and geographic structure</p> <p>25 of Defendants' offices, divisions and facilities?</p>	<p>Page 16</p> <p>1 Q. -- I'm just going to go ahead and let you</p> <p>2 read number 4. Are you prepared to testify on</p> <p>3 behalf of Nissan for number 4?</p> <p>4 A. Yes.</p> <p>5 Q. We hit -- you are prepared to testify on</p> <p>6 behalf of Nissan for topic number 5?</p> <p>7 A. Yes.</p> <p>8 Q. You're prepared to testify on behalf of</p> <p>9 Nissan for topic number 6?</p> <p>10 A. Yes.</p> <p>11 Q. Same for topic number 7?</p> <p>12 A. Yes.</p> <p>13 Q. And number 8?</p> <p>14 A. Yes.</p> <p>15 Q. Number 9?</p> <p>16 A. Yes.</p> <p>17 Q. Ten?</p> <p>18 MR. LAW: And just subject to all of the</p> <p>19 restrictions and objections that have been</p> <p>20 interposed in writing.</p> <p>21 MR. CALABRO: I understand --</p> <p>22 MR. LAW: Yeah.</p> <p>23 MR. CALABRO: -- that's your position.</p> <p>24 MR. LAW: Right.</p> <p>25 ///</p>

4 (Pages 13 to 16)

<p>Page 17</p> <p>1 BY MR. CALABRO: 2 <b>Q. All right.</b> 3 A. Ten, correct? 4 <b>Q. Actually, I'm going to give you a chance --</b> 5 A. All right. 6 <b>Q. -- and let you go ahead and just read</b> 7 <b>through --</b> 8 A. Just read through the -- 9 <b>Q. -- each one of those.</b> 10 A. Okay. 11 <b>Q. And just let me know you if you don't feel</b> 12 <b>that you're prepared to testify on behalf of Nissan</b> 13 <b>with respect to any topic or portion thereof.</b> 14 MR. LAW: Yes. And I think items 27 15 through 30, we ob- -- objected or basically 16 record -- retention-related areas, they're work 17 product and so we're not tendering the witness on 18 those. At least -- to skip to the end on that. 19 MR. CALABRO: Well, the actual 20 collection of documents to respond to our document 21 request, is not work product; and I don't think you 22 guys filed any motion, so notice is live. So if 23 he's not prepared to testify about those issues and 24 that's your position -- 25 MR. LAW: Yeah. He's not -- he's not</p>	<p>Page 19</p> <p>1 BY MR. CALABRO: 2 <b>Q. Okay. Now, what did you do, sir, to prepare</b> 3 <b>for your testimony today?</b> 4 A. I did some investigation and met with my -- 5 my counsel. 6 <b>Q. Which counsel did you meet with?</b> 7 A. Grant and his staff. 8 <b>Q. When did you meet with Mr. Law?</b> 9 A. We had meetings earlier this month, maybe a 10 couple of weeks ago -- maybe, and then twice this 11 past week for a total of about 15 hours, and I 12 probably prepped on my own about ten hours 13 otherwise. 14 <b>Q. Who were the other lawyers involved in the</b> 15 <b>preparation?</b> 16 A. Eric Smith and Grant were the main -- main 17 lawyers. 18 <b>Q. Okay. Anybody else attend these sessions</b> 19 <b>outside of the people you just referenced?</b> 20 <b>Michelle?</b> 21 A. Michelle did -- sorry, yeah, Michelle did; 22 that was it. 23 <b>Q. Anybody from outside Nissan --</b> 24 A. No. 25 <b>Q. -- other than the lawyers that you just</b></p>
<p>Page 18</p> <p>1 being tendered on those issues. We -- we objected 2 to them and -- 3 MR. CALABRO: Do you have another 4 designee to tes- -- testify about these issues? 5 MR. LAW: As far as I know right now, we 6 are standing on a work-product objection to 7 record-retention-related topics. 8 MR. CALABRO: Okay. And -- and you guys 9 didn't file a motion -- 10 MR. LAW: Not to my knowledge. 11 MR. CALABRO: Okay. And so which 12 numbers in particular are you -- 13 MR. LAW: I think what we -- 14 MR. CALABRO: -- not tendering this 15 witness? 16 MR. LAW: I think it was 27 on. 17 MR. CALABRO: Twenty-seven through 18 thirty? 19 MR. LAW: Yeah. Let me just double 20 check. Yes. Thirty is not specifically record 21 retention, but it's factual support for -- defenses, 22 which is ar- -- it's an improper topic for a 23 30(b)(6) deposition. 24 THE WITNESS: So, yeah, I can say from 1 25 through 26 the answer is yes.</p>	<p>Page 20</p> <p>1 <b>referenced?</b> 2 A. No. 3 <b>Q. Okay. Did you meet with anybody within</b> 4 <b>Nissan to obtain any factual information from them?</b> 5 A. I had some discussions with some experts 6 within Nissan, yes, about the topic. 7 <b>Q. And who did you speak with within Nissan?</b> 8 A. I spoke with Rob Blancher. He is at NTCNA 9 Farmington Hill. 10 <b>Q. NTCNA?</b> 11 A. Yes. I spoke with John Latimer. 12 <b>Q. Is it J-O-H-N?</b> 13 A. J-O-H-N, uh-huh. 14 <b>Q. L-A --</b> 15 A. L-A-T-I-M-E-R. 16 <b>Q. What's his role?</b> 17 A. He is also NTCNA. 18 <b>Q. What do these two guys do --</b> 19 A. They're in the body design team. 20 MR. LAW: You've got to let him -- slow 21 down and let him finish his question. 22 BY MR. CALABRO: 23 <b>Q. And for the record what is NTCNA?</b> 24 A. It's Nissan Technical Center North America. 25 <b>Q. What does that do, NTCNA?</b></p>

5 (Pages 17 to 20)

<p>Page 21</p> <p>1 A. They have design responsibilities within the</p> <p>2 North American division for -- for Nissan.</p> <p>3 <b>Q. Do they design all of the cars that are on</b></p> <p>4 <b>the roads in North America?</b></p> <p>5 MR. LAW: Objection; it's overbroad.</p> <p>6 THE WITNESS: They do not design all of</p> <p>7 the cars. Some design work is done by our NTC which</p> <p>8 is Nissan Technical Center in Japan.</p> <p>9 BY MR. CALABRO:</p> <p>10 <b>Q. What's the division of responsibility between</b></p> <p>11 <b>NTC in Japan and NTCNA?</b></p> <p>12 MR. LAW: I'm -- I'm going to object.</p> <p>13 It's outside the scope of what we're tendering the</p> <p>14 witness for. He can answer as best he can.</p> <p>15 THE WITNESS: That's pretty broad, but</p> <p>16 just depending on the model, there may be different</p> <p>17 design responsibilities between NTC and NTCNA,</p> <p>18 depending on development and the handout process</p> <p>19 that would occur.</p> <p>20 BY MR. CALABRO:</p> <p>21 <b>Q. Are those subject to formal divisions of</b></p> <p>22 <b>responsibilities or is it ad hoc based on the</b></p> <p>23 <b>project?</b></p> <p>24 A. It's depending on the project, is my</p> <p>25 understanding.</p>	<p>Page 23</p> <p>1 <b>Q. Okay. Anybody else?</b></p> <p>2 A. Yeah, Jim Sherbine.</p> <p>3 <b>Q. How do you spell his last name?</b></p> <p>4 A. S-H-E-R-B-I-N-E, I believe.</p> <p>5 <b>Q. E-I-N-E?</b></p> <p>6 A. B-I-N-E.</p> <p>7 <b>Q. Okay. And what's his role?</b></p> <p>8 A. He is a stamping engineer at the Smyrna</p> <p>9 manufacturing plant.</p> <p>10 <b>Q. Okay. Anybody else?</b></p> <p>11 A. Basil Timonschuk.</p> <p>12 <b>Q. Basil?</b></p> <p>13 A. B-A- --</p> <p>14 <b>Q. Okay.</b></p> <p>15 A. Yeah. He is a -- he's a FQA now, but he was</p> <p>16 a previous stamping engineering manager at the</p> <p>17 plant.</p> <p>18 <b>Q. Basil is spelled like the herb, B-A-S- --</b></p> <p>19 A. B-A-S-I-L.</p> <p>20 <b>Q. Okay. Last name?</b></p> <p>21 A. T-I-M-O-N-S-C-H-U-K.</p> <p>22 MR. CALABRO: I hope she got that.</p> <p>23 BY MR. CALABRO:</p> <p>24 <b>Q. And you said he's with FQ- -- FQA. What's</b></p> <p>25 <b>FQA?</b></p>
<p>Page 22</p> <p>1 <b>Q. Does NTC in Japan decide which division will</b></p> <p>2 <b>be in charge of the project?</b></p> <p>3 MR. LAW: Objection; outside the scope.</p> <p>4 THE WITNESS: It's my understanding NTC</p> <p>5 is the main decider of what -- what division would</p> <p>6 hold responsibility for design, depending on the</p> <p>7 time and the project.</p> <p>8 BY MR. CALABRO:</p> <p>9 <b>Q. Okay. So we were talking about different</b></p> <p>10 <b>folks that you had consulted with at Nissan to</b></p> <p>11 <b>prepare for the deposition. One of the persons you</b></p> <p>12 <b>repr- -- you mentioned was Rob Blanchard. Another</b></p> <p>13 <b>person you mentioned was John Latimer.</b></p> <p>14 <b>Do you know what their roles within NTCNA</b></p> <p>15 <b>are specifically, what their titles are?</b></p> <p>16 A. Their current roles, I'm not sure. But I do</p> <p>17 know they both had some involvement with the Altima</p> <p>18 floor pan issue --</p> <p>19 <b>Q. Okay.</b></p> <p>20 A. -- upon investigation.</p> <p>21 <b>Q. When -- when there was a -- when this</b></p> <p>22 <b>corrosion issue became aware -- became something</b></p> <p>23 <b>that Nissan was aware of, these were guys -- were</b></p> <p>24 <b>working on that project?</b></p> <p>25 A. That's correct.</p>	<p>Page 24</p> <p>1 A. Field Quality Assurance.</p> <p>2 <b>Q. Is that a division within NTCNA?</b></p> <p>3 A. It is not. It is a division within NNA.</p> <p>4 <b>Q. And NNA is Nissan North America?</b></p> <p>5 A. That's correct.</p> <p>6 <b>Q. What's the relationship between Nissan North</b></p> <p>7 <b>America and Nissan Motor Company?</b></p> <p>8 A. So --</p> <p>9 MR. LAW: Well, I object. It's</p> <p>10 overbroad; outside of the scope, but to the extent</p> <p>11 it relates to the -- the interaction of the off- --</p> <p>12 those offices for this investigation, certainly, you</p> <p>13 can answer that.</p> <p>14 THE WITNESS: Yeah. So Nissan Motor</p> <p>15 Limited -- Nissan Motor Company is kind of the</p> <p>16 compared company above -- the global company related</p> <p>17 to NNA, which is the parent company within North</p> <p>18 America.</p> <p>19 BY MR. CALABRO:</p> <p>20 <b>Q. So Nissan Motor Company is a parent company,</b></p> <p>21 <b>then Nissan North America is a subsidiary of Nissan</b></p> <p>22 <b>Motor?</b></p> <p>23 A. That's my understanding, yes.</p> <p>24 <b>Q. All right. And then where does Nissan</b></p> <p>25 <b>Technical Center North America fit in?</b></p>

6 (Pages 21 to 24)

Page 25	Page 27
<p>1 A. That is a -- so, within -- within Nissan</p> <p>2 Motor Limited, there is a design group, Nissan</p> <p>3 Technical Center. Nissan Technical Center North</p> <p>4 America is a subsidiary of that -- that team.</p> <p>5 <b>Q. So we have Nissan Motor Limited and Nissan</b></p> <p>6 <b>Motor Company, right?</b></p> <p>7 A. That's correct.</p> <p>8 <b>Q. Those are different entities?</b></p> <p>9 A. I'm not quite sure how they -- the business</p> <p>10 relationship between those two.</p> <p>11 <b>Q. Okay.</b></p> <p>12 A. I'm not sure I can speak to that.</p> <p>13 <b>Q. Who's your employer? What entity employs</b></p> <p>14 <b>you?</b></p> <p>15 A. Nissan North America.</p> <p>16 <b>Q. Okay. And FQA is part of Nissan North</b></p> <p>17 <b>America, you said?</b></p> <p>18 A. That's correct.</p> <p>19 <b>Q. All right. What does FQA do -- do?</b></p> <p>20 A. Field Quality Assurance is a -- a group that</p> <p>21 manages the long- -- that manages the campaign</p> <p>22 decision process and campaign implementation</p> <p>23 process.</p> <p>24 <b>Q. And by "campaign", what do you mean?</b></p> <p>25 A. Recalls and service campaign initiatives.</p>	<p>1 was pur- -- was produced at the Smyrna plant.</p> <p>2 <b>Q. Okay.</b></p> <p>3 A. So he had previous knowledge of that process.</p> <p>4 <b>Q. Very good.</b></p> <p>5 <b>All right. So we've now invested Mr.</b></p> <p>6 <b>Blanchard, Latimer, Sherbine, Timonschuk, anyone</b></p> <p>7 <b>else?</b></p> <p>8 A. That's all.</p> <p>9 <b>Q. You review any documents to prepare for the</b></p> <p>10 <b>deposition today?</b></p> <p>11 A. I did.</p> <p>12 <b>Q. What kind of documents?</b></p> <p>13 MR. LAW: I'll just object that -- that</p> <p>14 that's attorney-client privilege to the extent that</p> <p>15 he relied on any documents to give the answers.</p> <p>16 You're certainly entitled to know which ones those</p> <p>17 are, but the collection and selection of documents</p> <p>18 that he reviewed is privileged.</p> <p>19 MR. CALABRO: Okay, fair enough.</p> <p>20 BY MR. CALABRO:</p> <p>21 <b>Q. Were any of the documents that you reviewed</b></p> <p>22 <b>-- were -- did any of them refresh your recollection</b></p> <p>23 <b>about any of the testimony that you're prep- --</b></p> <p>24 <b>you're prepared to give today?</b></p> <p>25 MR. LAW: Ob- -- object. It calls for</p>
Page 26	Page 28
<p>1 <b>Q. And does it -- it -- it -- a group within</b></p> <p>2 <b>Nissan dedicated to working on recalls and service</b></p> <p>3 <b>campaigns?</b></p> <p>4 A. That's correct.</p> <p>5 <b>Q. And that group is FQA, Field Quality</b></p> <p>6 <b>Assurance?</b></p> <p>7 A. That's correct.</p> <p>8 <b>Q. Okay. And Mr. Timmons -- wi- -- what Tim- --</b></p> <p>9 A. Timonschuk. Timonschuk, uh-huh.</p> <p>10 <b>Q. What's his role within FQA?</b></p> <p>11 A. His role within FQA currently is, he is in</p> <p>12 charge of supplier chargebacks.</p> <p>13 <b>Q. What does that mean?</b></p> <p>14 A. So if a campaign has a supplier-related</p> <p>15 concern, he would be responsible in working with our</p> <p>16 purchasing department to seek funds back to</p> <p>17 reimburse Nissan for the campaign expenses.</p> <p>18 <b>Q. Okay. Was there a supplier-related issue</b></p> <p>19 <b>with respect to the rust issue we are dealing with</b></p> <p>20 <b>in this case?</b></p> <p>21 A. There was not.</p> <p>22 <b>Q. Okay. Why did you contact Mr. Timonschuk</b></p> <p>23 <b>then?</b></p> <p>24 A. Basil was a previous employee during the --</p> <p>25 the period of time when the Altima, the L31 Altima</p>	<p>1 speculation. You haven't asked many questions yet.</p> <p>2 I think it -- you need to do that on a</p> <p>3 question-by-question basis.</p> <p>4 MR. CALABRO: Fair enough. I don't</p> <p>5 agree with the objection, but to -- to move on,</p> <p>6 we'll -- we'll take it as is.</p> <p>7 BY MR. CALABRO:</p> <p>8 <b>Q. Sir, I'd like to mark as Exhibit 2, a</b></p> <p>9 <b>document with Bates Number NNA3583 through 3621.</b></p> <p>10 <b>(WHEREUPON, the above-mentioned</b></p> <p>11 <b>document was marked as Exhibit Number 2.)</b></p> <p>12 BY MR. CALABRO:</p> <p>13 <b>Q. Now, throughout today, there will be exhibits</b></p> <p>14 <b>that have Excel spreadsheets attached to them or</b></p> <p>15 <b>sometimes they'll just say they were produced in</b></p> <p>16 <b>native form. I have many of those here on the</b></p> <p>17 <b>computer. Some -- if they were small enough, we</b></p> <p>18 <b>were able to print them out. If not, I have them on</b></p> <p>19 <b>the computer and we can show you the iPad --</b></p> <p>20 A. Okay.</p> <p>21 <b>Q. -- if you have any questions. Some of them</b></p> <p>22 <b>we'll be looking at, but if you have any specific</b></p> <p>23 <b>questions, we're happy to look at those as they come</b></p> <p>24 <b>up.</b></p> <p>25 MR. LAW: Counsel, I think this is</p>

7 (Pages 25 to 28)



Page 29	Page 31
<p>1 probably the appropriate time for me to sort of put</p> <p>2 the parties on notice that because we are now</p> <p>3 getting into documents that were produced subject to</p> <p>4 the protective order, that under the terms of the</p> <p>5 protective order, on behalf of Nissan, I'm going to</p> <p>6 exercise our right to designate the entire</p> <p>7 transcript as highly confidential subject to the</p> <p>8 30-day review process as required at the termination</p> <p>9 of that.</p> <p>10 So that means -- you guys know what that</p> <p>11 means, but the easy part is for now, you don't have</p> <p>12 to do two separate booklets of anything, but the</p> <p>13 whole thing is treated as, and should be marked as</p> <p>14 highly confidential.</p> <p>15 BY MR. CALABRO:</p> <p>16 <b>Q. Let me know when you've had a chance to</b></p> <p>17 <b>review that, sir.</b></p> <p>18 A. (Witness reviews document.)</p> <p>19 I've had a chance to review it.</p> <p>20 <b>Q. All right. So you recognize this as the</b></p> <p>21 <b>May 8th, 2015, e-mail from you to Dale Weiss and</b></p> <p>22 <b>Selim Hammoud?</b></p> <p>23 A. Yes.</p> <p>24 <b>Q. Okay. Any reason to doubt that you sent this</b></p> <p>25 <b>e-mail as it's provided here with the attachments?</b></p>	<p>1 A. He is director of product safety and</p> <p>2 environmental.</p> <p>3 <b>Q. Same role he had in 2015?</b></p> <p>4 A. That's correct, yes.</p> <p>5 <b>Q. And there's also James Hunter listed in the</b></p> <p>6 <b>CC, do you see that?</b></p> <p>7 A. I do.</p> <p>8 <b>Q. Who is that?</b></p> <p>9 A. James Hunter, at this time, was mainly in</p> <p>10 field quality assurance campaign implementation.</p> <p>11 <b>Q. So if they decided to do campaigns or a</b></p> <p>12 <b>recall, he's one of the guys who implements the</b></p> <p>13 <b>campaign?</b></p> <p>14 A. At this time he was, yes.</p> <p>15 <b>Q. And have you had a chance to look through the</b></p> <p>16 <b>attachments?</b></p> <p>17 A. Yes. I've -- I did a brief review of the</p> <p>18 attachments.</p> <p>19 <b>Q. All right. If you look first at the cover</b></p> <p>20 <b>e-mail on -- with the Bates number 3583, there's an</b></p> <p>21 <b>e-mail in the chain from you to both Mr. Weiss and</b></p> <p>22 <b>Mr. Hammoud dated May 7th, 2015. So you say, Dale,</b></p> <p>23 <b>Selim, For my items below, see detail below. And</b></p> <p>24 <b>the first bullet point is, Latest TM Summary Sheet</b></p> <p>25 <b>material is attached.</b></p>
Page 30	Page 32
<p>1 MR. LAW: Object; calls for speculation.</p> <p>2 It's argumentative, but go ahead.</p> <p>3 THE WITNESS: I don't have any reason to</p> <p>4 doubt, no.</p> <p>5 BY MR. CALABRO:</p> <p>6 <b>Q. All right. Who's Dale Weiss?</b></p> <p>7 A. Dale Weiss is a senior manager in field</p> <p>8 quality assurance.</p> <p>9 <b>Q. What's his responsibility?</b></p> <p>10 A. His current responsibility is he manages the</p> <p>11 group that investigates and recommends decisions on</p> <p>12 recalls and service campaigns in the North American</p> <p>13 market.</p> <p>14 <b>Q. Is that the same role that he had in 2005 --</b></p> <p>15 <b>'15?</b></p> <p>16 A. It is.</p> <p>17 <b>Q. All right. And what -- and is it Selim? Is</b></p> <p>18 <b>that how you pronounce it, Selim?</b></p> <p>19 A. Selim, yes.</p> <p>20 <b>Q. And Hammoud?</b></p> <p>21 A. Correct.</p> <p>22 <b>Q. All right. What is Ms. -- is -- is that a</b></p> <p>23 <b>male or female?</b></p> <p>24 A. It's a male.</p> <p>25 <b>Q. Okay. What does he do?</b></p>	<p>1 <b>Now, that's an earlier e-mail. Is any of</b></p> <p>2 <b>the information, or any of the attachments attached</b></p> <p>3 <b>to this e-mail, Exhibit 2, the TM summary sheet?</b></p> <p>4 A. Hang on just a second. I can say that the</p> <p>5 material below is not the -- not the TM summary</p> <p>6 sheet.</p> <p>7 <b>Q. Okay. It purports to be an FQA presentation</b></p> <p>8 <b>if you look at the attachment line. Do you see</b></p> <p>9 <b>that?</b></p> <p>10 A. Yes.</p> <p>11 <b>Q. And is any of the information here, the FQA</b></p> <p>12 <b>presentation?</b></p> <p>13 A. The subsequent pages appear to be a</p> <p>14 presentation that FQA would have assisted in</p> <p>15 preparing, yes.</p> <p>16 <b>Q. All of these attachments or -- or just part</b></p> <p>17 <b>of the attachments?</b></p> <p>18 A. I'm going to say part, because there's a</p> <p>19 couple of slides that I did not recognize.</p> <p>20 MR. LAW: Slow down a little bit.</p> <p>21 THE WITNESS: Yeah.</p> <p>22 MR. LAW: You're making me nervous.</p> <p>23 THE WITNESS: No problem. No problem.</p> <p>24 No problem.</p> <p>25 3611, I don't recognize.</p>

8 (Pages 29 to 32)

Page 33	Page 35
<p>1 BY MR. CALABRO:</p> <p>2 <b>Q. Okay.</b></p> <p>3 A. The other pages I do -- I have some</p> <p>4 recognition of.</p> <p>5 <b>Q. All right. And I'm going to direct your</b></p> <p>6 <b>attention to 3577.</b></p> <p>7 A. 3577.</p> <p>8 MR. LAW: 3583?</p> <p>9 BY MR. CALABRO:</p> <p>10 <b>Q. Okay. That's all right. So you -- I guess I</b></p> <p>11 <b>have my -- I apologize about that. I got those --</b></p> <p>12 MR. LAW: 3587. That one?</p> <p>13 MR. CALABRO: Yeah.</p> <p>14 BY MR. CALABRO:</p> <p>15 <b>Q. Okay. Okay. So that -- that -- now, this is</b></p> <p>16 <b>an e-mail -- cover e-mail from May 2015, but the FQA</b></p> <p>17 <b>presentation is dated September 19th, 2013. If you</b></p> <p>18 <b>look at the very first page, it's an e-mail dated --</b></p> <p>19 <b>the cover page is dated -- the cover e-mail is dated</b></p> <p>20 <b>May 15th, right?</b></p> <p>21 A. Yes, that's correct.</p> <p>22 <b>Q. 2000 -- May 5, 2- -- May 8, 2015. But the</b></p> <p>23 <b>presentation, the attachment, is actually dated</b></p> <p>24 <b>September 19, 2013?</b></p> <p>25 A. That's correct.</p>	<p>1 <b>sending a draft presentation a year-and-a-half</b></p> <p>2 <b>later?</b></p> <p>3 MR. LAW: Calls for speculation.</p> <p>4 THE WITNESS: I can't recall if this was</p> <p>5 a draft or final material --</p> <p>6 BY MR. CALABRO:</p> <p>7 <b>Q. Okay.</b></p> <p>8 A. -- at the time when I sent it.</p> <p>9 <b>Q. When you're putting together drafts of these</b></p> <p>10 <b>presentations, your people at Nissan are endeavoring</b></p> <p>11 <b>to be accurate even in the drafts; is that right,</b></p> <p>12 <b>sir?</b></p> <p>13 A. Yeah.</p> <p>14 MR. LAW: That's overbroad.</p> <p>15 BY MR. CALABRO:</p> <p>16 <b>Q. And it's important to be accurate with the</b></p> <p>17 <b>information contained in the draft because people</b></p> <p>18 <b>are making business decisions based on what's in</b></p> <p>19 <b>these presentations; is that right, sir?</b></p> <p>20 MR. LAW: Overbroad; vague.</p> <p>21 THE WITNESS: I think in general, we</p> <p>22 attempt to be accurate when we create any materials</p> <p>23 related to any concerns at Nissan.</p> <p>24 BY MR. CALABRO:</p> <p>25 <b>Q. Including these FQA presentations?</b></p>
Page 34	Page 36
<p>1 <b>Q. All right. So is this act- -- the actual</b></p> <p>2 <b>presentation that was presented to the FQA?</b></p> <p>3 A. Well, that's dated 2013.</p> <p>4 <b>Q. Is that what I said? I'm sorry. Did I</b></p> <p>5 <b>miss -- let's start again just in case I'm confusing</b></p> <p>6 <b>everything.</b></p> <p>7 <b>The cover e-mail is dated May 8, 2015,</b></p> <p>8 <b>correct?</b></p> <p>9 A. That's correct.</p> <p>10 <b>Q. The attachment is dated September 19, 2013 --</b></p> <p>11 A. That's correct.</p> <p>12 <b>Q. -- correct?</b></p> <p>13 <b>All right. And since you are forwarding</b></p> <p>14 <b>this presentation in May of 2015, is this</b></p> <p>15 <b>attachment likely the final presentation as of</b></p> <p>16 <b>September 19, 2013 that was presented to FQA?</b></p> <p>17 MR. LAW: I'll object. It calls for</p> <p>18 speculation -- potentially does.</p> <p>19 THE WITNESS: I can't recall if this is</p> <p>20 the final presentation presented in '13.</p> <p>21 BY MR. CALABRO:</p> <p>22 <b>Q. There is an -- because it says drafts in the</b></p> <p>23 <b>attachment line on the cover e-mail, but you're</b></p> <p>24 <b>sending it almost, you know, a year-and-a-half</b></p> <p>25 <b>later. Is there any reason that you would be</b></p>	<p>1 A. Including these FQA presentations.</p> <p>2 <b>Q. I'd like to just go through some of this if</b></p> <p>3 <b>you don't mind. If you turn to the page with Bates</b></p> <p>4 <b>number 3587, this is providing the background of the</b></p> <p>5 <b>issue with respect to the other corrosion issues; is</b></p> <p>6 <b>that correct, sir?</b></p> <p>7 A. That's correct.</p> <p>8 <b>Q. All right. And it says, NNA FQA has been</b></p> <p>9 <b>studying potential campaign of L31 and A34 floor pan</b></p> <p>10 <b>corrosion issue. Do you see that, sir?</b></p> <p>11 A. I do.</p> <p>12 <b>Q. L31 refers to certain Altimas; is that right,</b></p> <p>13 <b>sir?</b></p> <p>14 A. Yeah. That's the model for the Altima in</p> <p>15 question.</p> <p>16 <b>Q. A34 is the model code for the Maximas that</b></p> <p>17 <b>have the same issue; is that correct, sir?</b></p> <p>18 A. That's correct.</p> <p>19 <b>Q. All right. And you no- -- somebody notes in</b></p> <p>20 <b>this presentation, this presentation notes that</b></p> <p>21 <b>under number 1, High customer dissatisfaction issues</b></p> <p>22 <b>in Canada and US salt area. High Cost Repair of</b></p> <p>23 <b>\$1,400, potential high incident rate of 90 percent.</b></p> <p>24 <b>Do you see that, sir?</b></p> <p>25 A. I do.</p>

9 (Pages 33 to 36)

Page 37	Page 39
<p>1 Q. When it says incident rate, what does that</p> <p>2 mean?</p> <p>3 A. Incident rate typically means the rate for</p> <p>4 the concern in the market.</p> <p>5 Q. Of when it actually manifest?</p> <p>6 A. Of when it's actually manifest on the</p> <p>7 vehicle, yes, correct.</p> <p>8 Q. So this is saying that there's potential of</p> <p>9 actual rust in 90 percent of these L31 and A34 cars?</p> <p>10 MR. LAW: Object --</p> <p>11 BY MR. CALABRO:</p> <p>12 Q. To be manifest- --</p> <p>13 MR. LAW: The document.</p> <p>14 THE WITNESS: Yes. This -- this states</p> <p>15 that there's a potential incident rate of 90 percent</p> <p>16 in Canada and US salt areas for this issue.</p> <p>17 BY MR. CALABRO:</p> <p>18 Q. All right. And if you look at the next page</p> <p>19 sir, talking about the summary. Do you see that?</p> <p>20 A. I do.</p> <p>21 Q. It says, number of vehicles is approximately</p> <p>22 1.5 million?</p> <p>23 A. Yes.</p> <p>24 Q. Any reason to dispute that?</p> <p>25 A. No reason to dispute that, no.</p>	<p>1 A. That's correct. That's what the previous</p> <p>2 statement would have been referring to, yes.</p> <p>3 Q. All right. And the cause underneath that is</p> <p>4 improper application of the butyl patch on the inner</p> <p>5 side of the floor assembly caused an insufficient</p> <p>6 seal condition; is that right, sir?</p> <p>7 A. That's correct.</p> <p>8 Q. The next box, Countermeasure: No</p> <p>9 countermeasure was applied due to end of production.</p> <p>10 Is that what it says?</p> <p>11 A. That's what it says, yes.</p> <p>12 Q. Any reason to dispute that?</p> <p>13 A. No reason to dispute that.</p> <p>14 Q. So what that's saying is Nissan didn't catch</p> <p>15 this until after they started making different</p> <p>16 Altimas and Maximas?</p> <p>17 A. Yes. Nissan did not catch this in turn until</p> <p>18 the end production for the L31 and A34 vehicles.</p> <p>19 MR. CALABRO: I want to pause here for a</p> <p>20 minute and mark as Exhibit 3, documents with Bates</p> <p>21 Numbers NNA1613 through '17.</p> <p>22 (WHEREUPON, the above-mentioned</p> <p>23 document was marked as Exhibit Number 3.)</p> <p>24 MR. LAW: While we're doing that, just a</p> <p>25 quick clarification. The 1.5 million that was being</p>
Page 38	Page 40
<p>1 Q. All right. The next block there says,</p> <p>2 Production date, SOP. Does that stand for start of</p> <p>3 production?</p> <p>4 A. It does.</p> <p>5 Q. And it -- so that means that the -- and an</p> <p>6 EOP is the end of production; is that right?</p> <p>7 A. That's correct.</p> <p>8 Q. And it says '02 model year to '08 model year,</p> <p>9 correct?</p> <p>10 A. That's correct.</p> <p>11 Q. So it's saying that the entire production for</p> <p>12 these two vehicles, L31 and A34, from '02 to '08 are</p> <p>13 affected?</p> <p>14 A. It's saying that the production from '02</p> <p>15 model year to '08, are suspected for the concerning</p> <p>16 question, yes.</p> <p>17 Q. Okay. If you'll look down it says incident:</p> <p>18 Water and salt can enter between floor panels</p> <p>19 through a hole in the floor assembly. As the -- as</p> <p>20 the result, corrosion on the floor pan under -- both</p> <p>21 under driver and passenger cabin. Do you see that?</p> <p>22 A. I do.</p> <p>23 Q. All right. And that's what we're talking</p> <p>24 about, about a 90-percent incident rate in the</p> <p>25 Canada and U.S. salt states?</p>	<p>1 discussed was the whole global production including</p> <p>2 non salt states, correct?</p> <p>3 THE WITNESS: Yes. That was in the --</p> <p>4 to clarify, that was an approximate number, so...</p> <p>5 BY MR. CALABRO:</p> <p>6 Q. All right. Do you recognize this document,</p> <p>7 sir?</p> <p>8 A. (Witness reviews document.)</p> <p>9 I do.</p> <p>10 Q. What is this document?</p> <p>11 A. This was a safety assessment that was done on</p> <p>12 the floor pan issue in question.</p> <p>13 Q. Who performed the safety assessment?</p> <p>14 A. That would be the design engineer of NTCNA.</p> <p>15 Q. And is this a document that Nissan relied on</p> <p>16 in the usual course of its business?</p> <p>17 A. It is.</p> <p>18 Q. All right. If you'll look at this first page</p> <p>19 with Bates Number 1613, it says, investigation</p> <p>20 revo- -- results. Field In- -- Investigation: A</p> <p>21 summary of the field in- -- investigation is below.</p> <p>22 Let's just stop there. What's a field</p> <p>23 investigation?</p> <p>24 A. A field investigation in this -- in this case</p> <p>25 was an attempt to gather data from the field to</p>

10 (Pages 37 to 40)

Page 41	Page 43
<p>1 understand the incident rate for the concern.</p> <p>2 <b>Q. All right. And if I'm reading this</b></p> <p>3 <b>correctly, it's identifying in U.S. salt states,</b></p> <p>4 <b>that in only 2 or 7 percent of the cars, from U.S.</b></p> <p>5 <b>sta- -- salt states that they reviewed, was there no</b></p> <p>6 <b>rust present. Is that not right, sir?</b></p> <p>7 A. This reads that 7 percent of vehicles</p> <p>8 surveyed in Michigan, Ohio, and Illinois, only 7</p> <p>9 percent had no rust present.</p> <p>10 <b>Q. And Michigan, Ohio, and Illinois were</b></p> <p>11 <b>representative of U.S. salt states, correct?</b></p> <p>12 A. They are included in the salt state</p> <p>13 designation, correct.</p> <p>14 <b>Q. Is it your position that they're not</b></p> <p>15 <b>representative of salt states in the United</b></p> <p>16 <b>States --</b></p> <p>17 MR. LAW: Object; the question is vague.</p> <p>18 BY MR. CALABRO:</p> <p>19 <b>Q. Yeah. The reason I'm asking it that way is</b></p> <p>20 <b>because you -- you're not answering my question.</b></p> <p>21 <b>My question is, were Michigan, Ohio, and</b></p> <p>22 <b>Illinois chosen because they're representative of</b></p> <p>23 <b>U.S. salt states?</b></p> <p>24 A. Michigan, Ohio, and Illinois were chosen</p> <p>25 because they were representative of U.S. salt</p>	<p>1 <b>Q. All right. And that bottom right sho- --</b></p> <p>2 <b>photo, is showing an actual hole in the bottom of</b></p> <p>3 <b>the floor?</b></p> <p>4 A. The bottom right does show a -- a perforation</p> <p>5 in the bottom portion of the floor pan, yes.</p> <p>6 <b>Q. All right. Let's turn the page. We're</b></p> <p>7 <b>looking at the page with Bates Number 1614, and here</b></p> <p>8 <b>the report identifies, Root cause. Do you see that,</b></p> <p>9 <b>sir?</b></p> <p>10 A. I do, yes.</p> <p>11 <b>Q. And it says, Water and salt can enter between</b></p> <p>12 <b>floor panels through a hole in the floor assembly.</b></p> <p>13 <b>This occurred due to insufficient sealing. A butyl</b></p> <p>14 <b>patch on the FR floor was not pressed down</b></p> <p>15 <b>sufficiently during the manufacturing process.</b></p> <p>16 <b>Let's just stop right there. What's FR</b></p> <p>17 <b>floor?</b></p> <p>18 A. FR in this case represents front floor.</p> <p>19 <b>Q. Okay. And butyl patch, what is a butyl</b></p> <p>20 <b>patch?</b></p> <p>21 A. A butyl patch is what you see in the pictures</p> <p>22 below here, is a patch that is used for sealing in</p> <p>23 the paint and body process.</p> <p>24 <b>Q. Okay. This -- and then just continuing up</b></p> <p>25 <b>with the statement there. This may allow water and</b></p>
Page 42	Page 44
<p>1 states, and they had a significant number of</p> <p>2 population to gather data for the issue.</p> <p>3 <b>Q. Okay. And only 7 percent of those cars did</b></p> <p>4 <b>not have rust, correct?</b></p> <p>5 A. Seven percent of the 29 vehicles reviewed,</p> <p>6 correct.</p> <p>7 <b>Q. And, in fact, 93 percent of them did have</b></p> <p>8 <b>rust?</b></p> <p>9 A. That is correct.</p> <p>10 <b>Q. All right. And if you look at the Canada</b></p> <p>11 <b>populations, it was 83 percent and 88 percent that</b></p> <p>12 <b>had rust, correct?</b></p> <p>13 A. Yeah. 83 percent for southwest Ontario;</p> <p>14 88 percent for Quebec, central Ontario.</p> <p>15 <b>Q. So based on this sample, when we say that the</b></p> <p>16 <b>incident rate is potentially 90 percent, that's</b></p> <p>17 <b>because the Canadian portion is pulling down the</b></p> <p>18 <b>U.S. salt percentage?</b></p> <p>19 A. Mathematically you're correct, yes.</p> <p>20 <b>Q. Now, you will see photos below that chart.</b></p> <p>21 <b>Do you see those, sir?</b></p> <p>22 A. I do.</p> <p>23 <b>Q. And these are photos that were taken as part</b></p> <p>24 <b>of the fields investigation?</b></p> <p>25 A. That's correct.</p>	<p>1 <b>salt to become captured between the two floor</b></p> <p>2 <b>panels, section and pictures as shown below. Do you</b></p> <p>3 <b>see that, sir?</b></p> <p>4 A. I do, yes.</p> <p>5 <b>Q. All right. Now, before we go any further, do</b></p> <p>6 <b>you have any reason to dispute anything that was</b></p> <p>7 <b>stated here?</b></p> <p>8 A. No --</p> <p>9 <b>Q. Okay.</b></p> <p>10 A. -- I do not.</p> <p>11 <b>Q. And is it still Nissan's view that this was</b></p> <p>12 <b>the root cause of the problem?</b></p> <p>13 A. It's Nissan's position this is the root cause</p> <p>14 of this particular issue, yes.</p> <p>15 (WHEREUPON, the below-mentioned</p> <p>16 document was marked as Exhibit Number 4.)</p> <p>17 BY MR. CALABRO:</p> <p>18 <b>Q. We're going to look at this document here,</b></p> <p>19 <b>Exhibit 3 in conjunction with what I'm marking as</b></p> <p>20 <b>Exhibit 4. And Exhibit 4 is a document Bates Number</b></p> <p>21 <b>NNA 4073 through -- all right. It's just 4073 and</b></p> <p>22 <b>then there's an attachment 4074 that we have</b></p> <p>23 <b>actually printed.</b></p> <p>24 <b>All right, sir. Take a minute to review</b></p> <p>25 <b>that document and let me know when you're ready.</b></p>

11 (Pages 41 to 44)

Page 45	Page 47
<p>1 A. (Witness reviews document.) 2 Okay. 3 <b>Q. Ready?</b> 4 A. I'm ready, uh-huh. 5 <b>Q. All right, sir. Do you recognize this as an</b> 6 <b>e-mail from -- an e-mail chain involving you and</b> 7 <b>Mr. Caruthers?</b> 8 A. That's correct. 9 <b>Q. All right. Any reason to dispute that you</b> 10 <b>sent -- received the e-mail chain as you see it in</b> 11 <b>this exhibit?</b> 12 A. No reason to dispute, no. 13 <b>Q. All right. If you look at the originating</b> 14 <b>chain that you wrote to Mr. Caruthers on July 13th</b> 15 <b>of 2011, looking for information regarding this rust</b> 16 <b>issue, right, sir?</b> 17 A. That's correct. 18 <b>Q. You reached out to him because you say, I</b> 19 <b>understand you may have some knowledge of this</b> 20 <b>issue.</b> 21 A. That's correct. 22 <b>Q. Why did you think Mr. Caruthers might have</b> 23 <b>information related to this issue?</b> 24 A. Mr. Caruthers at that time was an engineer 25 staff at the Smyrna manufacturing plant.</p>	<p>1 <b>Q. You don't know one way or the other?</b> 2 A. I don't know one way or the other. 3 <b>Q. Okay. L32 was the next version of the Altima</b> 4 <b>after the L31?</b> 5 A. That's correct. 6 <b>Q. What years were the L32 in production?</b> 7 A. The L32 was a model year '07 to 2012. 8 <b>Q. Okay. L, does that designate Altima?</b> 9 A. It's a -- a -- a -- a sedan level -- 10 <b>Q. Okay.</b> 11 A. -- but essentially, yes. 12 <b>Q. Okay. Well, because then the Maxima is A?</b> 13 A. Is A, right. 14 <b>Q. Okay. He goes on, Manufacturing, did not --</b> 15 <b>oh, sorry. The second sentence actually is, this</b> 16 <b>file shows the design, two-floor thicknesses.</b> 17 <b>And so he's referring, I guess, to the</b> 18 <b>attachment, correct, where we see two different</b> 19 <b>floor patterns in 4074?</b> 20 A. I'm sorry. Can you restate? 21 <b>Q. Sure.</b> 22 A. I'll apologize. I'm a little lost. 23 <b>Q. Yeah. Go back to the original e-mail at the</b> 24 <b>top. His second sentence says, This file shows the</b> 25 <b>design of two floor thicknesses. Do you see that?</b></p>
Page 46	Page 48
<p>1 <b>Q. Okay. And what was his particular</b> 2 <b>responsibility?</b> 3 A. He was in the paint area. 4 <b>Q. And why did you think somebody in the paint</b> 5 <b>area would have information related to this?</b> 6 A. This butyl patch is installed in the paint 7 area. 8 <b>Q. Okay.</b> 9 A. Or would have been installed, sorry. 10 <b>Q. And then in July of 2011 as referenced in</b> 11 <b>this Exhibit 4, he writes, I'll be happy to discuss,</b> 12 <b>but it is a known problem that was countermeasured</b> 13 <b>by design on L32. Do you see that?</b> 14 A. I see that statement, yes. 15 <b>Q. Any reason to dispute that?</b> 16 A. Bill is not -- so I -- I will preface this. 17 Bill is not a design engineer, so I don't understand 18 how he concluded countermeasures by the design of 19 L32. 20 <b>Q. Is -- are there different facts? Is that not</b> 21 <b>true?</b> 22 A. The -- the L32 design is different, but I 23 don't -- I'm not aware that a specific 24 countermeasure was made on the L32 design for this 25 issue.</p>	<p>1 A. Yes -- 2 <b>Q. Okay.</b> 3 A. -- I do. 4 <b>Q. So if we look at that de- -- that picture</b> 5 <b>that he's got at the top, there's a top floor layer</b> 6 <b>and a bottom floor layer. Do you see that?</b> 7 A. I see that, yes. 8 <b>Q. All right. Why are there these two layers?</b> 9 A. At the time of the design for L31, this was 10 the design requirement to ensure the floor was 11 properly designed. 12 <b>Q. I understand. But what does that mean? I'm</b> 13 <b>asking for more specifics. Why are there two floor</b> 14 <b>layers here?</b> 15 A. So the -- the bottom layer was the base floor 16 pan. 17 <b>Q. Okay.</b> 18 A. And the top layer was a re-enforcement 19 structure. 20 <b>Q. And is that how Nissan refers to these two</b> 21 <b>different layers? One was the base floor pan, and</b> 22 <b>the other one was the reinforcement structure?</b> 23 A. Yeah. I believe the bottom is called the 24 front floor, and the top would be reinforcement 25 floor.</p>

12 (Pages 45 to 48)

<p>Page 49</p> <p>1 Q. Now, why is there holes in these layers? If</p> <p>2 you look at this design on 4074 at the top -- first</p> <p>3 of all, you agree this is representative of what</p> <p>4 this area looks like, correct?</p> <p>5 A. Yes, I agree.</p> <p>6 Q. This -- this picture is representative of</p> <p>7 what that area looks like?</p> <p>8 A. Yes, for this particular model.</p> <p>9 Q. All right. And you'll see that there's like</p> <p>10 a hole here in the middle for both the bottom floor</p> <p>11 layer and the top floor layer that you rep- -- that</p> <p>12 you see here. Why -- what are those holes there?</p> <p>13 A. This particular hole was a -- my</p> <p>14 understanding is a tooling hole, so it's used for</p> <p>15 location and movement of the floor pan during</p> <p>16 assembly at the manufacturing facility.</p> <p>17 Q. So in other words, those holes are there to</p> <p>18 make it easier to assemble the car?</p> <p>19 A. To assemble the car and make sure the floor</p> <p>20 is in position when other parts are aligned with the</p> <p>21 floor.</p> <p>22 Q. It doesn't have any sort of structural or</p> <p>23 safety role in when the car is actually being used,</p> <p>24 correct?</p> <p>25 MR. LAW: I object. The question is</p>	<p>Page 51</p> <p>1 section entitled, Properly Insulation of Butyl</p> <p>2 Patch.</p> <p>3 A. Yes, I see that.</p> <p>4 Q. And they've got pictures with red Xs and</p> <p>5 green circles, and in the top left corner it says,</p> <p>6 Typical NG condition, not pressed down. Do you see</p> <p>7 that?</p> <p>8 A. I do.</p> <p>9 Q. What does NG mean?</p> <p>10 A. NG typically means no good.</p> <p>11 Q. Okay. And then on the right, you see,</p> <p>12 Corrected condition, pressed down.</p> <p>13 A. Yes, I see that.</p> <p>14 Q. Do you know where these pictures came from?</p> <p>15 A. These pictures were provided by the</p> <p>16 manufacturing team during our investigation back in</p> <p>17 2011.</p> <p>18 Q. You'll see at the bottom it says, Paint QC</p> <p>19 October 1, 2008.</p> <p>20 A. I see that, yes.</p> <p>21 Q. And I'll represent to you that the meta- --</p> <p>22 metadata from this document, 4074, says that this</p> <p>23 was created in October of 2008. Do you know why</p> <p>24 this was created in October of 2008?</p> <p>25 A. I do not know.</p>
<p>Page 50</p> <p>1 compound.</p> <p>2 THE WITNESS: This hole is not related</p> <p>3 to any structural design. It's used purely for</p> <p>4 tooling and location purposes on the floor pan</p> <p>5 during assembly.</p> <p>6 BY MR. CALABRO:</p> <p>7 Q. If you go back to the e-mail at the 4073,</p> <p>8 Mr. Caruthers states, Manufacturing did not</p> <p>9 diligently press down the butyl patch on the floor</p> <p>10 to seal the edge of both panels. Do you see that,</p> <p>11 sir?</p> <p>12 A. I do.</p> <p>13 Q. Okay. Any reason to dispute what he says</p> <p>14 there, sir?</p> <p>15 A. No.</p> <p>16 Q. Okay. That's Nissan's position today?</p> <p>17 A. That's our position as for the cause of this</p> <p>18 issue, yes.</p> <p>19 Q. And it says, The water wicked between the two</p> <p>20 floor thicknesses and corrosion resulted.</p> <p>21 A. I see that statement, yes.</p> <p>22 Q. No reason to dispute that?</p> <p>23 A. No reason to dispute that.</p> <p>24 Q. Now, if you look down at 4074 at the bottom</p> <p>25 half of that page, you will see there's -- there's a</p>	<p>Page 52</p> <p>1 Q. Does paint QC 10/1/2008, mean anything to you</p> <p>2 at all?</p> <p>3 A. Paint QC means paint quality control, but</p> <p>4 other than that, I don't know -- I don't know why</p> <p>5 this was put there.</p> <p>6 Q. How was this patch applied? Was it applied</p> <p>7 by some person or was it applied by a machine? What</p> <p>8 was the typical process for applying this patch?</p> <p>9 A. It's my understanding this patch was applied</p> <p>10 by a person in the assembly plant.</p> <p>11 Q. Okay. All right. So let's go back to</p> <p>12 Exhibit 3. And we see that same document we were</p> <p>13 just looking at sort of embedded here in Exhibit 3</p> <p>14 on page 1614, right?</p> <p>15 A. That's correct, yes.</p> <p>16 Q. Now, sir, this document that we are looking</p> <p>17 at, this picture of the floor plan that's entitled,</p> <p>18 Root cause of floor rust, proper installation of</p> <p>19 butyl patch, that's representative of the -- of the</p> <p>20 Altimas, L31?</p> <p>21 A. This root cause details the floor rust</p> <p>22 concerns on Altima, L31, yes.</p> <p>23 Q. Also representative of the Maxima, A34?</p> <p>24 A. It's my understanding, yes, correct.</p> <p>25 Q. All right. If you look at the next page.</p>

13 (Pages 49 to 52)

<p>Page 53</p> <p>1 Now, this is talking about the safety investigation</p> <p>2 right, sir?</p> <p>3 A. That's correct, yes.</p> <p>4 Q. All right. And it says one, Structural</p> <p>5 integrity, and we're on page 1615. Through CAD</p> <p>6 study, it is determined that the affected areas of</p> <p>7 corrosion found in the field investigation, are not</p> <p>8 in the load path during a frontal or side crash</p> <p>9 incident as shown. A section with material</p> <p>10 properties is shown below. Do you see that?</p> <p>11 A. I do, yes.</p> <p>12 Q. All right. And are you familiar with this</p> <p>13 diagram, sir?</p> <p>14 A. I'm familiar with this document, yes.</p> <p>15 Q. Okay. What do the different colors mean, the</p> <p>16 pink, and the green, and the reds, and all of these</p> <p>17 things?</p> <p>18 A. It's my understanding these are different</p> <p>19 areas, parts of the floor pan. So the floor pan is</p> <p>20 an assembly. So, for example, the pink would be the</p> <p>21 base pan and the -- the orange on it, for example,</p> <p>22 would be maybe some side -- side -- side parts of</p> <p>23 the pan.</p> <p>24 Q. All right. And it's showing these blue</p> <p>25 arrows?</p>	<p>Page 55</p> <p>1 A. Those are material information.</p> <p>2 Q. So SP121, what does that, for example,</p> <p>3 represent?</p> <p>4 A. That's a type of metal.</p> <p>5 Q. Is -- are those Nissan specific numbers or</p> <p>6 are they industry standard numbers?</p> <p>7 A. I can't answer that.</p> <p>8 Q. Okay. If you look to the right, there's a</p> <p>9 green and blue structure.</p> <p>10 A. Yes.</p> <p>11 Q. Do you know what that represents?</p> <p>12 A. That represents the -- the seal outer as a</p> <p>13 mention on the or -- that orange piece that's on</p> <p>14 the top.</p> <p>15 Q. Okay.</p> <p>16 A. That's a cross section of that.</p> <p>17 Q. Okay. Under that drawing -- and, again, sir,</p> <p>18 I'm sorry. Let's take a step back.</p> <p>19 If you go back and look at these drawings,</p> <p>20 these are representative of both L31 and A34?</p> <p>21 A. Yes, that's correct.</p> <p>22 Q. All right. If you look at number 2, floor</p> <p>23 and panel integrity, the vehicles in the field which</p> <p>24 were returned to dealers were reviewed in the most</p> <p>25 severe condition. The area where the perforation</p>
<p>Page 54</p> <p>1 A. Yes, I see that.</p> <p>2 Q. And is that supposed to represent the --</p> <p>3 where the loads or the stress of the load is felt</p> <p>4 through the different parts?</p> <p>5 A. I think in general, yes, that's correct.</p> <p>6 Q. All right. Now, if you look below that top</p> <p>7 picture, there's sort of a hand-drawn picture.</p> <p>8 A. I see that, yes.</p> <p>9 Q. All right. Do the colors of -- for example,</p> <p>10 the pink in the top picture, correspond to the pink</p> <p>11 in the bottom picture?</p> <p>12 A. Not directly, no.</p> <p>13 Q. Okay. Let's just go through this real quick.</p> <p>14 On the left side there's a -- sort of a bracket that</p> <p>15 says corrosion area.</p> <p>16 A. I see that, yes.</p> <p>17 Q. All right. So the pink layer there would be</p> <p>18 what we call the reinforcement structure; is that</p> <p>19 right?</p> <p>20 A. That's the reinforcement front floor, yes.</p> <p>21 Q. Okay. And then the bottom part is called the</p> <p>22 front floor as it's labeled there.</p> <p>23 A. That's correct.</p> <p>24 Q. These numbers SP, are those part numbers or</p> <p>25 is that something else?</p>	<p>Page 56</p> <p>1 occurred was not large or weak enough for the</p> <p>2 customer to penetrate. It goes on to say, This is</p> <p>3 because there is a double metal thickness rein- --</p> <p>4 reinforced front floor and front floor insulator,</p> <p>5 carpet padding, and carpet.</p> <p>6 Any of that -- so is that right so far, sir?</p> <p>7 A. Yes, you're correct.</p> <p>8 Q. All right. Now, there is corrosion under</p> <p>9 both the reinforcement of the floor and the front</p> <p>10 floor in the cars that Nissan reviewed; is that</p> <p>11 right, sir?</p> <p>12 A. In some instances, we saw corrosion on both</p> <p>13 parts, yes.</p> <p>14 Q. And it's true also that the corrosion always</p> <p>15 emanated from the holes in the floor that we are</p> <p>16 talking about?</p> <p>17 MR. LAW: I'm going to object. That</p> <p>18 question is overbroad and it's vague and it lacks</p> <p>19 foundation.</p> <p>20 THE WITNESS: The majority of the cases</p> <p>21 we saw during our investigation, the propagation of</p> <p>22 the rust started from the hole area, yes.</p> <p>23 BY MR. CALABRO:</p> <p>24 Q. Can you give me a quantity? 90 percent of</p> <p>25 the cases? 100 percent of the cases?</p>

14 (Pages 53 to 56)

<p>Page 57</p> <p>1 A. I can't speculate on that as I sit here.</p> <p>2 <b>Q. Can you comfortably say it's more than</b></p> <p>3 <b>75 percent?</b></p> <p>4 A. That's a very general question. I -- I'm</p> <p>5 not -- I don't -- no, I can't.</p> <p>6 <b>Q. Okay. Well, when you said, "in most cases",</b></p> <p>7 <b>what did you have in mind?</b></p> <p>8 A. The majority of the cases we saw, so above</p> <p>9 50 percent.</p> <p>10 <b>Q. But you can't quantify any better than above</b></p> <p>11 <b>50 percent?</b></p> <p>12 A. Not without looking at one-by-one pictures.</p> <p>13 <b>Q. Where else would the rust emanate from if not</b></p> <p>14 <b>those -- from the hole in the cases that Nissan</b></p> <p>15 <b>reviewed?</b></p> <p>16 A. From this specific issue, the rust would be</p> <p>17 expected to emanate from the hole area.</p> <p>18 <b>Q. Can you name any other area from which it</b></p> <p>19 <b>emanated with respect to this issue?</b></p> <p>20 A. I cannot.</p> <p>21 <b>Q. Okay. And -- I'm -- I'm sorry if I'm asking</b></p> <p>22 <b>the same questions, and maybe I just misunderstood.</b></p> <p>23 <b>With respect to this issue, in all the cars</b></p> <p>24 <b>that Nissan investigated, did it find rust</b></p> <p>25 <b>emanating from any other location than the holes</b></p>	<p>Page 59</p> <p>1 <b>Q. Then you'll see overlapping these feet, red</b></p> <p>2 <b>circles that say, concern area.</b></p> <p>3 A. I see that, yes.</p> <p>4 <b>Q. Right?</b></p> <p>5 <b>Those represent where rust happens?</b></p> <p>6 A. Those represent the areas where we saw the</p> <p>7 rust in the market, yes, correct.</p> <p>8 <b>Q. And so literally where people's feet are is</b></p> <p>9 <b>where holes will develop?</b></p> <p>10 A. The areas shown as the concern areas where</p> <p>11 there would be potential rust in the floor pan,</p> <p>12 correct.</p> <p>13 <b>Q. And sometimes that rust is so bad that it</b></p> <p>14 <b>creates a hole there?</b></p> <p>15 A. There may be a hole on the -- between the</p> <p>16 front and the reinforcement piece, correct, yes.</p> <p>17 <b>Q. I mean, there could be a -- a -- a hole such</b></p> <p>18 <b>that the carpet will become wet, right, sir?</b></p> <p>19 A. In rare instances, yes.</p> <p>20 <b>Q. Okay. Now, how is a hole in the floor where</b></p> <p>21 <b>people's feet are not a safety issue?</b></p> <p>22 A. So the structure of this, that is here in the</p> <p>23 floor as mentioned in the previous statement on</p> <p>24 1615, was determined that there was no concern</p> <p>25 related to front or side crashes. And the -- it was</p>
<p>Page 58</p> <p>1 <b>that we had seen in these floor assembly -- these</b></p> <p>2 <b>floor pans?</b></p> <p>3 A. For this specific issue I can say, no.</p> <p>4 <b>Q. Okay. That's what I wanted clarification on.</b></p> <p>5 <b>That's where I thought we might be --</b></p> <p>6 A. Okay.</p> <p>7 <b>Q. -- miscommunicating.</b></p> <p>8 <b>All right. So going back to this</b></p> <p>9 <b>document -- we're on page 1616, in time, as the</b></p> <p>10 <b>corrosion gets worse, the carpet will become wet.</b></p> <p>11 <b>This is typically when the customer brought in</b></p> <p>12 <b>their vehicle to a dealer. Do you see that?</b></p> <p>13 A. I do.</p> <p>14 <b>Q. All right. Now, is there any other facts</b></p> <p>15 <b>that -- well, before we get to that. Let's just</b></p> <p>16 <b>look at this drawing here real quick. You'll see at</b></p> <p>17 <b>the bottom half of this drawing, there are -- seems</b></p> <p>18 <b>to be black outlines of what looks like shoes. Do</b></p> <p>19 <b>you see that?</b></p> <p>20 A. I do.</p> <p>21 <b>Q. Are those supposed to represent where</b></p> <p>22 <b>people's feet would be?</b></p> <p>23 A. Yes. This was representative of the kind of</p> <p>24 average area where a foot might sit in relation to</p> <p>25 the floor pan.</p>	<p>Page 60</p> <p>1 a judgment of Nissan that the customer had potential</p> <p>2 awareness of the issue as mentioned with the carpet</p> <p>3 becoming wet before any concern with a complete hole</p> <p>4 of the floor and the carpet.</p> <p>5 <b>Q. So in other words, if it got really bad, the</b></p> <p>6 <b>customer would know because the carpet would become</b></p> <p>7 <b>wet, and at that point it was up to the customer to</b></p> <p>8 <b>make sure he was safe?</b></p> <p>9 MR. LAW: Well, I'll object. That's</p> <p>10 argumentative and that certainly misstates his</p> <p>11 testimony.</p> <p>12 THE WITNESS: Nissan's position is, this</p> <p>13 was a highly detectable concern at that point, and</p> <p>14 we had no field reports of customers having their</p> <p>15 feet through the floor of the vehicle.</p> <p>16 BY MR. CALABRO:</p> <p>17 <b>Q. But the reason Nissan made that determination</b></p> <p>18 <b>is because it was then up to the customer to make</b></p> <p>19 <b>sure that they were safe?</b></p> <p>20 MR. LAW: Objection; misstates his</p> <p>21 testimony.</p> <p>22 THE WITNESS: Yeah. Again, Nissan's</p> <p>23 position is, this was not a safety concern as</p> <p>24 mentioned previously. No concern through crash</p> <p>25 worthiness for frontal or side crash. We also felt</p>

15 (Pages 57 to 60)



<p>Page 61</p> <p>1 that the -- the concern is highly detectable by the</p> <p>2 customer to identify and then bring in for a repair.</p> <p>3 BY MR. CALABRO:</p> <p>4 <b>Q. Okay. And just -- so that's what I wanted to</b></p> <p>5 <b>understand. The reason it's not a safety concern is</b></p> <p>6 <b>because Nissan expected the customer to come in and</b></p> <p>7 <b>fix this problem when it realized that there is --</b></p> <p>8 <b>the carpet was wet?</b></p> <p>9 MR. LAW: Same objection. It misstates</p> <p>10 his testimony.</p> <p>11 THE WITNESS: Yeah. Nissan's position</p> <p>12 that it was not a safety issue was based on the</p> <p>13 crash analysis done by our design department in</p> <p>14 addition to the -- the concern that it's highly</p> <p>15 detectable for the customer.</p> <p>16 BY MR. CALABRO:</p> <p>17 <b>Q. Did the crash -- did the crash test ever</b></p> <p>18 <b>involve cases in which the hole was so large that</b></p> <p>19 <b>the carpet was wet?</b></p> <p>20 A. The study was done through computer-aided</p> <p>21 drawings, so not a crash test, but it considered the</p> <p>22 worst case condition for this issue.</p> <p>23 <b>Q. What was considered the worst case condition?</b></p> <p>24 A. This -- you can see this concern area that's</p> <p>25 highlighted.</p>	<p>Page 63</p> <p>1 MR. LAW: Objection; the question is</p> <p>2 vague; calls for speculation.</p> <p>3 THE WITNESS: I do not know.</p> <p>4 BY MR. CALABRO:</p> <p>5 <b>Q. And I just want to make sure that I -- we</b></p> <p>6 <b>completely understand the testimony. It is no- --</b></p> <p>7 <b>Nissan's position is, it is not a safety standard,</b></p> <p>8 <b>because based on computer simulations it did, it did</b></p> <p>9 <b>not think that there was any structural problems</b></p> <p>10 <b>with rusted floor pans?</b></p> <p>11 A. Nissan's position is for this issue in the</p> <p>12 worst case, there was no concern related to frontal</p> <p>13 or side crash in this area. This area essentially</p> <p>14 was not a structural part even in worst case</p> <p>15 conditions for this issue.</p> <p>16 <b>Q. Okay. But you don't know how to define</b></p> <p>17 <b>"worst case"?</b></p> <p>18 MR. LAW: Object. I think -- I think he</p> <p>19 answered that.</p> <p>20 THE WITNESS: Yeah. Worst case was</p> <p>21 defined by our field investigation. We essentially</p> <p>22 considered the worst case that we found in the</p> <p>23 market --</p> <p>24 BY MR. CALABRO:</p> <p>25 <b>Q. Okay.</b></p>
<p>Page 62</p> <p>1 <b>Q. Uh-huh.</b></p> <p>2 A. So this is considered -- area is a -- a</p> <p>3 perforated floor pan condition.</p> <p>4 <b>Q. And is that for both layers?</b></p> <p>5 A. That's for both areas.</p> <p>6 <b>Q. All right. So no crash tests were done on</b></p> <p>7 <b>any vehicle? It was all based on what the computer</b></p> <p>8 <b>model showed?</b></p> <p>9 A. For this specific incident condition,</p> <p>10 correct. It was done through computer-aided</p> <p>11 drawings.</p> <p>12 <b>Q. Do you know whether Nissan produced any of</b></p> <p>13 <b>that information in this case?</b></p> <p>14 MR. LAW: I'll object; calls for</p> <p>15 speculation and potentially calls for</p> <p>16 attorney-client privilege.</p> <p>17 THE WITNESS: I do not know.</p> <p>18 BY MR. CALABRO:</p> <p>19 <b>Q. Do you know whether that information is still</b></p> <p>20 <b>currently available at Nissan, these -- these</b></p> <p>21 <b>computer-aided designs -- computer simulations on</b></p> <p>22 <b>the safety?</b></p> <p>23 A. I do not know for this issue, no.</p> <p>24 <b>Q. Do you know how long Nissan normally</b></p> <p>25 <b>maintains records of these kinds of safety studies?</b></p>	<p>Page 64</p> <p>1 A. -- and applied it to this.</p> <p>2 <b>Q. And then -- and the- -- and that one you said</b></p> <p>3 <b>did have a hole in both the top and the floor -- top</b></p> <p>4 <b>and the bottom layers?</b></p> <p>5 A. There was perforation in both the top and the</p> <p>6 bottom layers, yes.</p> <p>7 <b>Q. Okay. And then also it's Nissan's view that</b></p> <p>8 <b>once the carpet gets wet, it's then up to the</b></p> <p>9 <b>customer to take action to ensure safety?</b></p> <p>10 MR. LAW: Object. That misstates his</p> <p>11 testimony.</p> <p>12 THE WITNESS: Yeah. Nissan's view is</p> <p>13 the -- the issue was -- in worst case, was very</p> <p>14 detectable for the customer, so the customer could</p> <p>15 identify this and bring it in for repair if</p> <p>16 necessary.</p> <p>17 BY MR. CALABRO:</p> <p>18 <b>Q. Okay. But that was on the customer to</b></p> <p>19 <b>identify and bring in?</b></p> <p>20 A. The customer would need to identify and</p> <p>21 bring -- bring the car in for the issue, yes.</p> <p>22 <b>Q. All right. Now --</b></p> <p>23 MR. LAW: We're -- we're hitting an hour</p> <p>24 right now so, if it's a good time or at least in the</p> <p>25 next couple of minutes --</p>

16 (Pages 61 to 64)

<p>Page 65</p> <p>1 MR. CALABRO: Let me just check. 2 MR. LAW: -- if we could take a short 3 break. 4 MR. CALABRO: Yes, let me just check 5 real quick. This might be a good spot. 6 Yeah, I think now is a good time. 7 MR. LAW: Okay, great. 8 THE VIDEOGRAPHER: We're off the record 9 at 10:00 a.m. 10 (Short break.) 11 THE VIDEOGRAPHER: We're back on the 12 record at 10:16 a.m. 13 BY MR. CALABRO: 14 <b>Q. All right. So we're still on Exhibit 2. I'm</b> 15 <b>going to direct your attention to the page ending in</b> 16 <b>3589. All right. Now, this is providing a matrix</b> 17 <b>of various options Nissan was con- -- considering</b> 18 <b>with respect to this issue. Do you see that, sir?</b> 19 A. I do. 20 <b>Q. All right. Under option 1, it says S1</b> 21 <b>campaign. Do you see that?</b> 22 A. I do. 23 <b>Q. What does S1 mean?</b> 24 A. S1 is an internal Nissan designation for a 25 type of service campaign.</p>	<p>Page 67</p> <p>1 <b>concern, who pays under S1?</b> 2 A. Under S1 for manufacturing concerns, the -- 3 the -- the region would pay, the plant. 4 <b>Q. Was there more than one plant at issue in</b> 5 <b>this case?</b> 6 A. The L31 Altima from '02 to '06 was produced 7 in Smyrna and in Canton for a period of time. 8 <b>Q. How do you spell Canton?</b> 9 A. C-A-N-T-O-N. 10 <b>Q. What percentage of the relevant Altimas were</b> 11 <b>produced in Canton?</b> 12 A. I don't have that information. 13 MR. LAW: And I -- I think that's 14 outside of the scope, just to preserve the 15 objection. 16 BY MR. CALABRO: 17 <b>Q. Did you say it was a -- a limited set that</b> 18 <b>was produced in Canton?</b> 19 A. So I can tell you that the Canton Altimas, 20 L31, began production for model year '05. 21 <b>Q. Okay. '05 and '06?</b> 22 A. So basically in '05 and '06, they were split 23 between the two plants. I just don't know -- 24 <b>Q. And they --</b> 25 A. I don't know the --</p>
<p>Page 66</p> <p>1 <b>Q. And what type is S1?</b> 2 A. S1 it means, none, safety issue, service 3 campaign. S1 would dictate who is responsible for 4 making the final decision and who would pay. 5 <b>Q. Who would pay under S1?</b> 6 A. S1 would be a -- if it was a design issue, it 7 would be NML Japan. 8 <b>Q. It would be what?</b> 9 A. NML Japan, Nissan Motor Limited Japan. 10 <b>Q. Oh, NML?</b> 11 A. NML, I apologize. 12 <b>Q. I didn't know if that was a Japanese name.</b> 13 A. NM- -- sorry. 14 <b>Q. Okay. What is S2?</b> 15 A. S2 is a -- another type of service campaign 16 for customer satisfaction. These are typically paid 17 by the region rather than the design group. 18 <b>Q. What about S3?</b> 19 A. S3s are designated as warranty extensions. 20 <b>Q. Now, under S1 and S2, you said that -- well,</b> 21 <b>under S1 you said that NML would pay if it's a</b> 22 <b>design issue. Is the issue that we're talking about</b> 23 <b>in this case a design issue or is it something else?</b> 24 A. It is not. It is a manufacturing concern. 25 <b>Q. All right. So when it's a manufacturing</b></p>	<p>Page 68</p> <p>1 <b>Q. -- were split --</b> 2 A. I don't know -- 3 <b>Q. -- between the --</b> 4 A. The -- don't know the exact breakdown -- 5 <b>Q. Okay.</b> 6 A. -- of the volumes. 7 <b>Q. In '05 and '06 it was at both plants; is that</b> 8 <b>right?</b> 9 A. That's correct. 10 <b>Q. All right. Did Nissan detect any difference</b> 11 <b>between the rate of incidents between the Altimas,</b> 12 <b>L31s, produced in Smyrna versus the Altimas produced</b> 13 <b>in Canton?</b> 14 A. There was no discernable difference that we 15 saw. 16 <b>Q. Now, what about the Maxima, the A34. Were</b> 17 <b>they produced in the same plants?</b> 18 MR. LAW: Object. It's outside of the 19 scope. 20 THE WITNESS: My understanding is Maxima 21 was only produced in Smyrna for this model. 22 BY MR. CALABRO: 23 <b>Q. And same question. Did -- did Nissan</b> 24 <b>identify any difference in incident rates between</b> 25 <b>A34 Maxima and L31 Altima?</b></p>

17 (Pages 65 to 68)

<p>Page 69</p> <p>1 MR. LAW: Same objection.</p> <p>2 THE WITNESS: No discernable differences</p> <p>3 that we saw.</p> <p>4 BY MR. CALABRO:</p> <p>5 <b>Q. Under S2 campaigns, if it's a manufacturing</b></p> <p>6 <b>issue, is it also the plant that pays?</b></p> <p>7 A. It would be the region -- yeah, the regional</p> <p>8 plant, yeah, that's correct.</p> <p>9 <b>Q. Where is Canton?</b></p> <p>10 A. Mississippi.</p> <p>11 <b>Q. Okay. Is it -- is Canton and Smyrna in the</b></p> <p>12 <b>same region?</b></p> <p>13 A. They're both north -- Ni- -- considered --</p> <p>14 when I say, region, Nissan North America, so North</p> <p>15 American region, yes.</p> <p>16 <b>Q. Okay. So when a region has to pay for a</b></p> <p>17 <b>campaign like this, where does the money come from?</b></p> <p>18 MR. LAW: Objection; outside of the</p> <p>19 scope.</p> <p>20 THE WITNESS: The -- so the money --</p> <p>21 there's a bucket essentially, global bucket, that it</p> <p>22 comes from, but -- and it's divied by region for</p> <p>23 campaign expense. So it would come from the</p> <p>24 campaign expense bucket, essentially in Nissan North</p> <p>25 America.</p>	<p>Page 71</p> <p>1 can't -- I can't speak to that.</p> <p>2 BY MR. CALABRO:</p> <p>3 <b>Q. Do you know whether there are people in the</b></p> <p>4 <b>region, for example, people -- the executives in</b></p> <p>5 <b>charge of Nissan North America, whose compensation</b></p> <p>6 <b>would depend on the financial performance of the</b></p> <p>7 <b>region?</b></p> <p>8 MR. LAW: Same objections.</p> <p>9 THE WITNESS: I can't speculate to that.</p> <p>10 BY MR. CALABRO:</p> <p>11 <b>Q. You don't have any idea one way or the other?</b></p> <p>12 MR. LAW: Same objections.</p> <p>13 THE WITNESS: No.</p> <p>14 BY MR. CALABRO:</p> <p>15 <b>Q. Okay. What about at the plant. Do you know</b></p> <p>16 <b>whether there's anybody at the plant level whose</b></p> <p>17 <b>compensation is affected based on whether they have</b></p> <p>18 <b>to pay a lot for any of these services and recall</b></p> <p>19 <b>campaigns?</b></p> <p>20 MR. LAW: Same objections. It's outside</p> <p>21 the scope; lacks foundation; calls for speculation.</p> <p>22 THE WITNESS: I'm going -- I can't speak</p> <p>23 to that.</p> <p>24 BY MR. CALABRO:</p> <p>25 <b>Q. Is your compensation affected by whether any</b></p>
<p>Page 70</p> <p>1 BY MR. CALABRO:</p> <p>2 <b>Q. That's the buc- -- what's the bucket</b></p> <p>3 <b>annually?</b></p> <p>4 MR. LAW: Same objection.</p> <p>5 BY MR. CALABRO:</p> <p>6 <b>Q. For this region, Nissan North America.</b></p> <p>7 MR. LAW: Same objection.</p> <p>8 THE WITNESS: There's no formal set</p> <p>9 number for recalls and service campaigns set at the</p> <p>10 beginning of a year.</p> <p>11 BY MR. CALABRO:</p> <p>12 <b>Q. Well, what difference does it make then</b></p> <p>13 <b>whether, you know, Nissan pays -- Nissan NML pays</b></p> <p>14 <b>versus the plant?</b></p> <p>15 MR. LAW: Same objection.</p> <p>16 THE WITNESS: Yeah. It's -- it's a</p> <p>17 financial accounting rule, so -- for who's</p> <p>18 responsible.</p> <p>19 BY MR. CALABRO:</p> <p>20 <b>Q. Is anybody's compensation affected based on</b></p> <p>21 <b>who pays for this campaign?</b></p> <p>22 MR. LAW: Same objection. La- --</p> <p>23 outside of the scope, lacks fou- -- foundation and</p> <p>24 calls for speculation by the witness.</p> <p>25 THE WITNESS: Yeah, I don't -- I</p>	<p>Page 72</p> <p>1 <b>of these campaigns have to be waged (phonetic) or</b></p> <p>2 <b>the cost or size of these campaigns?</b></p> <p>3 MR. LAW: Same objection.</p> <p>4 THE WITNESS: No.</p> <p>5 BY MR. CALABRO:</p> <p>6 <b>Q. Anybody in your group -- is their</b></p> <p>7 <b>compensation --</b></p> <p>8 MR. LAW: Same objection.</p> <p>9 THE WITNESS: Not to my knowledge.</p> <p>10 BY MR. CALABRO:</p> <p>11 <b>Q. If we go back to this chart here on 3589,</b></p> <p>12 <b>option 3, is TSB.</b></p> <p>13 A. That's -- that's correct.</p> <p>14 <b>Q. What is that?</b></p> <p>15 A. That's a Technical Service Bulletin.</p> <p>16 <b>Q. What's a Technical Service Bulletin?</b></p> <p>17 A. A Technical Service Bulletin is a -- a</p> <p>18 document that will explain a repair method to the</p> <p>19 field for the dealers to use.</p> <p>20 <b>Q. Who pays for that?</b></p> <p>21 A. It's kind of a broad question, sorry. It's</p> <p>22 not who pays for that. Who pays for a TSB?</p> <p>23 <b>Q. Yeah. I mean, is there any budget for this</b></p> <p>24 <b>issue for a TSB?</b></p> <p>25 MR. LAW: I will object to that. It's</p>

18 (Pages 69 to 72)

<p style="text-align: right;">Page 73</p> <p>1 kind of overbroad.</p> <p>2 THE WITNESS: TSB is just a repair</p> <p>3 instruction. Who pays it -- the company or the</p> <p>4 customer or good will, et cetera, would be based</p> <p>5 upon the vehicle itself and the condition of the</p> <p>6 vehicle.</p> <p>7 BY MR. CALABRO:</p> <p>8 <b>Q. Okay. So the reason I asked is when we</b></p> <p>9 <b>talked about S1, S2, S3, it -- depending on the</b></p> <p>10 <b>campaign, different people pay, right? Different</b></p> <p>11 <b>groups are responsible for paying, right?</b></p> <p>12 A. Yes, correct.</p> <p>13 <b>Q. So is there a similar financial</b></p> <p>14 <b>responsibility associated with the TSB?</b></p> <p>15 A. Like, as I mentioned, the TSB is going to</p> <p>16 follow the warranty structure, the good will</p> <p>17 structure on that spe- -- specific vehicle.</p> <p>18 <b>Q. When you say "good will", what do you mean by</b></p> <p>19 <b>that?</b></p> <p>20 A. So there is a -- there's a financial budget</p> <p>21 that's -- that's allocated for potential good will</p> <p>22 that the company can allow for repairs to be handled</p> <p>23 for the company outside of warranty.</p> <p>24 <b>Q. What criteria has to be met for good will to</b></p> <p>25 <b>pay for a repair outside of warranty?</b></p>	<p style="text-align: right;">Page 75</p> <p>1 A. Typically the O means kind of an okay</p> <p>2 condition or positive and the X would be kind of a</p> <p>3 negative or NG condition.</p> <p>4 <b>Q. Okay. And then if you look at the next row,</b></p> <p>5 <b>cost, there's O and then a squiggly line, triangle?</b></p> <p>6 A. Uh-huh.</p> <p>7 <b>Q. What does that mean?</b></p> <p>8 A. Triangle typically designates kind of in</p> <p>9 between okay and NG condition.</p> <p>10 <b>Q. Okay. And then if you look at the next cell,</b></p> <p>11 <b>that triangle squiggly X means it's between okay and</b></p> <p>12 <b>bad, right?</b></p> <p>13 A. Between maybe mid level condition and no- --</p> <p>14 no good.</p> <p>15 <b>Q. Okay. Were these the actual options that FQA</b></p> <p>16 <b>was considering as of September of 2013?</b></p> <p>17 A. These were the proposals from FQA in</p> <p>18 September of 2013.</p> <p>19 <b>Q. Okay. So FQA is making the proposal. Who is</b></p> <p>20 <b>doing the deciding?</b></p> <p>21 A. So this would have been presented to</p> <p>22 executive levels for decision.</p> <p>23 <b>Q. When you say "executive levels", are you</b></p> <p>24 <b>saying level of NNA or executive levels at NML?</b></p> <p>25 A. This specific document would have been shared</p>
<p style="text-align: right;">Page 74</p> <p>1 A. There's multiple criteria. It's dependent by</p> <p>2 vehicle. Some of the criteria include: Age;</p> <p>3 mileage; customer -- you know, first or second</p> <p>4 customer of the owner of the vehicle; whether the</p> <p>5 customer has been -- I'll say a loyal customer to --</p> <p>6 to a dealer, comes in for normal service. There's</p> <p>7 several factors.</p> <p>8 <b>Q. Is it a -- is there a formal guideline or</b></p> <p>9 <b>criteria that's laid out as to when goodwill will</b></p> <p>10 <b>pay for something or is it all discretionary?</b></p> <p>11 A. There's some general guidance that is given,</p> <p>12 yes.</p> <p>13 <b>Q. And who is budget -- strike the question.</b></p> <p>14 <b>If something is charged to good will, is</b></p> <p>15 <b>that at the plant level? Is that at the regional</b></p> <p>16 <b>level? Is it at the corporate level?</b></p> <p>17 A. Good will is managed through the NNA budget,</p> <p>18 so kind of the corporate level.</p> <p>19 <b>Q. Okay. So regional?</b></p> <p>20 A. Regional, yes.</p> <p>21 <b>Q. Okay. If you look at the chart again, we're</b></p> <p>22 <b>looking at customer satisfaction. If you go across</b></p> <p>23 <b>that row, there's Os and Xs at the top?</b></p> <p>24 A. I see that.</p> <p>25 <b>Q. Do those signify anything?</b></p>	<p style="text-align: right;">Page 76</p> <p>1 initially at NNA but it also would have been shared</p> <p>2 with our NML counterparts and their executive team</p> <p>3 as well.</p> <p>4 <b>Q. What was ultimately decided? What option</b></p> <p>5 <b>or -- strike the question.</b></p> <p>6 <b>Were any of these options ultimately decided</b></p> <p>7 <b>on by Nissan?</b></p> <p>8 A. An option 3 of the TSB was decided on in</p> <p>9 2015.</p> <p>10 <b>Q. What about prior to 2015, because this is in</b></p> <p>11 <b>2013? This presentation was in 2013. No decision</b></p> <p>12 <b>was made in 2013?</b></p> <p>13 A. No decision was made in 2013.</p> <p>14 <b>Q. Look at the next page. What are we looking</b></p> <p>15 <b>at here? This is a page with Bates Number 3590.</b></p> <p>16 A. This is a PowerPoint slide outlining cost</p> <p>17 estimates for various areas.</p> <p>18 <b>Q. Under which option?</b></p> <p>19 A. This would have been for the option 1, I</p> <p>20 believe, for the service, S1 service campaign.</p> <p>21 <b>Q. Okay. And if you look at the estimated cost</b></p> <p>22 <b>and bold that -- that row --</b></p> <p>23 A. Okay.</p> <p>24 <b>Q. If you look at, for example, the second box</b></p> <p>25 <b>where it says 3.6 million --</b></p>

19 (Pages 73 to 76)

Page 77	Page 79
<p>1 A. Uh-huh.</p> <p>2 <b>Q. -- it's 40 percent IR with 50 percent</b></p> <p>3 <b>conclusion ratio. Does that IR stand for Internal</b></p> <p>4 <b>Return?</b></p> <p>5 A. It does not. It stands for Incident Rate.</p> <p>6 <b>Q. Oh, got it. Okay, 40-percent incident rate.</b></p> <p>7 <b>Now, how do you come up with a 40-percent incident</b></p> <p>8 <b>rate in U.S. salt?</b></p> <p>9 A. So this was a 40-percent incident rate in</p> <p>10 U.S. salt and Canada for no rust condition.</p> <p>11 <b>Q. Right. But we saw that that was the number</b></p> <p>12 <b>for U.S. salt.</b></p> <p>13 A. At that time. So I don't know if there's</p> <p>14 additional slides that show that incident rate.</p> <p>15 There's -- inside this same PowerPoint, 3,600,</p> <p>16 there's a field survey summary.</p> <p>17 <b>Q. Okay.</b></p> <p>18 A. And you can see there's a -- 47 percent</p> <p>19 affected, so I can't speak -- if that's exactly what</p> <p>20 was done here, but I believe this 40 percent would</p> <p>21 have come as an estimate based on the -- the --</p> <p>22 these --</p> <p>23 <b>Q. Okay.</b></p> <p>24 A. -- survey results on 3,600.</p> <p>25 <b>Q. You don't know for sure, but that's your best</b></p>	<p>1 parts purchased by the dealer for the front floor</p> <p>2 assembly.</p> <p>3 <b>Q. Is this related to the rust issue?</b></p> <p>4 A. So at this time, the common repair method in</p> <p>5 the market was to purchase a front floor assembly</p> <p>6 and cut out the required piece to then -- through</p> <p>7 body repair, weld that part, to repair the vehicle.</p> <p>8 <b>Q. And -- and so is this indicating how many</b></p> <p>9 <b>people have purchased the part to make that repair</b></p> <p>10 <b>in -- in this time period?</b></p> <p>11 A. This indicates how many floor -- front floor</p> <p>12 oximetries over -- from a five-year period were</p> <p>13 purchased by dealers for potential repairs, but not</p> <p>14 necessarily related to this issue.</p> <p>15 <b>Q. Okay. Does Nissan have any numbers that</b></p> <p>16 <b>rec- -- that estimates which percentage of these</b></p> <p>17 <b>were used for the repair of this issue?</b></p> <p>18 A. Not to my knowledge.</p> <p>19 <b>Q. Then it says technical report, do you see</b></p> <p>20 <b>that?</b></p> <p>21 A. I do.</p> <p>22 <b>Q. What's a technical report?</b></p> <p>23 A. A technical report is a -- a report from our</p> <p>24 field staff, known as TSM, Technical Service</p> <p>25 Managers. They will file reports on concerns when a</p>
Page 78	Page 80
<p>1 <b>estimate?</b></p> <p>2 A. I don't know for sure, but that's my best</p> <p>3 estimation.</p> <p>4 <b>Q. Okay. If you'll turn to page 3592, and those</b></p> <p>5 <b>are the same pictures that we saw earlier in, I</b></p> <p>6 <b>think it was Exhibit 4; is that right?</b></p> <p>7 A. Three.</p> <p>8 <b>Q. Three, sorry, yes, 3.</b></p> <p>9 A. Uh-huh.</p> <p>10 <b>Q. And that one is indicating that carpet is</b></p> <p>11 <b>coming through the hole, right?</b></p> <p>12 A. In the bottom right picture, there appears to</p> <p>13 be a portion of the carpet exposed.</p> <p>14 <b>Q. And then on the bottom left it also says</b></p> <p>15 <b>carpet?</b></p> <p>16 A. That's correct.</p> <p>17 <b>Q. If you'll look at the next page, 3593.</b></p> <p>18 A. Okay.</p> <p>19 <b>Q. It says, Market status, do you see that?</b></p> <p>20 A. I do.</p> <p>21 <b>Q. And in the middle it says, dealer part sales</b></p> <p>22 <b>and there's a chart there or table, do you see that?</b></p> <p>23 A. I do.</p> <p>24 <b>Q. What's that represent?</b></p> <p>25 A. This would have been a -- a total of the</p>	<p>1 customer comes to the dealer, specifically, for</p> <p>2 issues that maybe aren't covered under warranty.</p> <p>3 <b>Q. Now, there were only four technical reports</b></p> <p>4 <b>listed here, two in the United States and two in</b></p> <p>5 <b>Canada.</b></p> <p>6 A. At this time, that's correct.</p> <p>7 <b>Q. Is that surprising when there were -- a much</b></p> <p>8 <b>higher incident rate than just four at the time of</b></p> <p>9 <b>this issue?</b></p> <p>10 MR. LAW: Ob- -- object. The question</p> <p>11 is vague and calls for speculation.</p> <p>12 THE WITNESS: It doesn't stand out as --</p> <p>13 as unusual to me.</p> <p>14 BY MR. CALABRO:</p> <p>15 <b>Q. I mean, are technical reports done every</b></p> <p>16 <b>single time a plaintiff -- a person has an issue or</b></p> <p>17 <b>are they done only in certain instances?</b></p> <p>18 A. They're not done every single time.</p> <p>19 <b>Q. What's the criteria for a technical report?</b></p> <p>20 A. There's -- there's different cases. They can</p> <p>21 be requested by our field quality investigation</p> <p>22 staff to the field if they are wanting more</p> <p>23 information on the concern.</p> <p>24 In this case after the four were -- were</p> <p>25 made public, maybe there was no further question by</p>

20 (Pages 77 to 80)

Page 81	Page 83
<p>1 our FQI team to -- to produce anymore.</p> <p>2 <b>Q. Okay. Underneath that it says VOQ/CA --</b></p> <p>3 <b>slash, CA, slash TL summary. Do you see that?</b></p> <p>4 A. I do.</p> <p>5 <b>Q. What is VOQ?</b></p> <p>6 A. It's Vehicle Owner Questionnaire.</p> <p>7 <b>Q. What does that mean?</b></p> <p>8 A. A FOQ is a -- either a -- a formal complaint</p> <p>9 by a customer to the NHTSA, National Highway Traffic</p> <p>10 Safety Administration.</p> <p>11 <b>Q. And when a complaint such as that is made,</b></p> <p>12 <b>then the organization in- -- informs Nissan of those</b></p> <p>13 <b>complaints?</b></p> <p>14 A. They are housed on a database that Nissan</p> <p>15 does have access to, yes.</p> <p>16 <b>Q. Okay. And then it says CA files. What's CA?</b></p> <p>17 A. Consumer affairs.</p> <p>18 <b>Q. What is consumer affairs?</b></p> <p>19 A. Consumer affairs is our department within NNA</p> <p>20 that handles customer questions and concerns.</p> <p>21 <b>Q. And then tech line. What's a tech line call?</b></p> <p>22 A. A tech line call is typically from a dealer</p> <p>23 to our field staff at the field quality center to</p> <p>24 handle concerns that maybe a dealer is not -- does</p> <p>25 not know how to handle, doesn't have a normal</p>	<p>1 investigation into this issue?</p> <p>2 A. That's correct.</p> <p>3 <b>Q. All right. And you're -- you're referencing</b></p> <p>4 <b>in here that you're trying to completely understand</b></p> <p>5 <b>the root cause of the issue?</b></p> <p>6 A. Correct.</p> <p>7 <b>Q. All right. In the bottom e-mail on page</b></p> <p>8 <b>2621, there's an e-mail dated May 16th there.</b></p> <p>9 A. Yes.</p> <p>10 <b>Q. And he says, Steve, have you spoken to Jamie</b></p> <p>11 <b>about this history. That's Jamie, I think, Hunter.</b></p> <p>12 A. Yes, James Hunter, correct.</p> <p>13 <b>Q. About this history. Initially he was able to</b></p> <p>14 <b>show me a deck as well as his explanation for how or</b></p> <p>15 <b>why this issue was happening. Do you see that?</b></p> <p>16 A. I see that, yes.</p> <p>17 <b>Q. Do you remember or have any knowledge of what</b></p> <p>18 <b>that is, what his explanation was?</b></p> <p>19 A. I don't. I don't recall this specifically.</p> <p>20 <b>Q. In the next e-mail up, there's a reference to</b></p> <p>21 <b>a -- looks like a PowerPoint slide.</b></p> <p>22 A. I see that.</p> <p>23 <b>Q. Do you -- have you seen that recently or know</b></p> <p>24 <b>what that is?</b></p> <p>25 A. I don't specifically know, no.</p>
Page 82	Page 84
<p>1 repair, just to get assistance from a technical</p> <p>2 personnel.</p> <p>3 <b>Q. All right. And so what this is representing</b></p> <p>4 <b>here is the number of VOQs, consumer affairs, and</b></p> <p>5 <b>tech line calls Nissan has had with respect to this</b></p> <p>6 <b>rust issue as of September of 2013?</b></p> <p>7 A. Yes. This would have been a summary of those</p> <p>8 at that time, correct.</p> <p>9 <b>Q. Now, I want to turn to page 3595.</b></p> <p>10 MR. CALABRO: And let me mark as</p> <p>11 Exhibit 5 document Bates Number NNA2620 through 23.</p> <p>12 (WHEREUPON, the above-mentioned</p> <p>13 document was marked as Exhibit Number 5.)</p> <p>14 BY MR. CALABRO:</p> <p>15 <b>Q. All right.</b></p> <p>16 A. Okay.</p> <p>17 <b>Q. Have you had a chance to review that, sir?</b></p> <p>18 A. Yes.</p> <p>19 <b>Q. Do you recognize Exhibit 5 as an e-mail chain</b></p> <p>20 <b>involving you and Ari Schifftan?</b></p> <p>21 A. I do, yes.</p> <p>22 <b>Q. And who is Mr. Schifftan?</b></p> <p>23 A. Ari was a body design engineer that was</p> <p>24 working on this concern.</p> <p>25 <b>Q. This was an e-mail chain regarding your</b></p>	<p>1 <b>Q. And on -- in the next page up, Page 2620, he</b></p> <p>2 <b>writes that, on the bottom, I found a couple install</b></p> <p>3 <b>drawings that could -- should help you to determine</b></p> <p>4 <b>where these were supposed to be placed. Do you see</b></p> <p>5 <b>that?</b></p> <p>6 A. I do see that.</p> <p>7 <b>Q. And then you respond that you don't have</b></p> <p>8 <b>SpaceVision access. Do you see that?</b></p> <p>9 A. I do.</p> <p>10 <b>Q. What's that?</b></p> <p>11 A. SpaceVision is a computer-aided program that</p> <p>12 basically we can look at the design drawings in 3D,</p> <p>13 three-dimensional space.</p> <p>14 <b>Q. And do you know if documents in SpaceVision</b></p> <p>15 <b>are saved for all of the vehicles that Nissan has?</b></p> <p>16 A. I don't know the specific retention period</p> <p>17 for those documents.</p> <p>18 <b>Q. Do you know whether there are still documents</b></p> <p>19 <b>on SpaceVision related to L31 and A34?</b></p> <p>20 A. I don't know.</p> <p>21 <b>Q. You write to him in that same e-mail, For the</b></p> <p>22 <b>install drawing, can you tell if there is any</b></p> <p>23 <b>specific mention about proper application of this</b></p> <p>24 <b>patch on the drawing? Do you see that?</b></p> <p>25 A. I do see that.</p>

21 (Pages 81 to 84)

<p style="text-align: right;">Page 85</p> <p>1 Q. And he responds, he says, Apologies, here are 2 the notes. 3 A. I see the response. 4 Q. Okay. Now, if you look at the attachment, 5 is -- is -- is this what you understood him to be 6 referring to as the notes? 7 A. Yes, correct. 8 Q. And these are notes to what? 9 A. These are notes for the installation drawing 10 of the floor plugs and installators on the floor 11 pan. 12 Q. And is this from SpaceVision? 13 A. It is -- is a document included in the 14 SpaceVision documents, yes. 15 Q. Okay. Now, if you'll look at the diagram 16 there, it looks like it's part of the attachment, 17 2623, on the tab labeled spec note block 31. 18 A. Yes. 19 Q. Okay. Does that mean anything to you, spec 20 note block 31? 21 A. These are typically just notes for 22 instruction for installation. So you may have 23 several tabs on an Excel file that explain different 24 pieces of an installation. 25 Q. So the guys or gals out on the line, do they</p>	<p style="text-align: right;">Page 87</p> <p>1 BY MR. CALABRO: 2 Q. What is the form of a process sheet? Is it 3 like a -- is it a chart? Is it a -- it's a Word 4 document -- is it an Excel spreadsheet? What does 5 it normally look like? 6 A. It's typically a -- usually, held on Excel. 7 And then a printed version is kind of a diagram with 8 either verbal -- either written explanation of 9 graphical installation instructions for the -- for 10 the technician. 11 Q. Let's go back to this Exhibit 2, and we're 12 looking at page 3595, and we see the same diagram 13 that we were looking at in Exhibit 5. And there is 14 a dark line -- dark box around D. Do you see that? 15 A. I do. 16 Q. What does that signify? What is D? 17 A. D is the section where the specific butyl 18 patch would have been applied. 19 Q. All right. And it says here in the slide. 20 There's no clear instruction of double-layered 21 panel. Do you see that? 22 A. I do. 23 Q. All right. So that's saying the folks on the 24 line weren't given clear instructions on how to make 25 sure that this patch is properly sealed because of</p>
<p style="text-align: right;">Page 86</p> <p>1 read those notes? 2 A. They would not specifically see these. 3 Q. Okay. 4 A. So typically what would happen is this would 5 be translated to a process sheet that is handled by 6 the processing engineering team at the plants, that 7 kind of simplifies this and explain to the -- the 8 technicians the order and operation of the process. 9 Q. What was that called, the spec? What do you 10 call that? Process sheet? 11 A. Process sheet. 12 Q. Okay. Did you review the process sheet with 13 respect to this manufacturing process in relation to 14 this, either in investigation or preparation for the 15 deposition today? 16 A. I have seen the process sheet for -- related 17 to this area. 18 Q. And do you know whether that's been produced 19 in this case? 20 MR. LAW: Same objection; calls for 21 speculation. Potentially calls for attorney-client 22 privilege. 23 THE WITNESS: I'm not -- I'm not 24 completely sure. 25 ///</p>	<p style="text-align: right;">Page 88</p> <p>1 the two layers? 2 MR. LAW: I'll object. It misstates 3 what the document says. 4 THE WITNESS: This is -- this is a 5 snippet from the document that we're just looking at 6 for the design notes. So it's saying in the design 7 spec notes, there's no specific instructions for a 8 double-layered panel. 9 BY MR. CALABRO: 10 Q. Right. Oh, so, wait, there's no instructions 11 for a double-layered panel. 12 A. That's what -- yeah, that's what it says. 13 Q. Meaning that there shouldn't be a 14 double-layered panel or there's no instructions for 15 how to deal with a double-layered panel? 16 A. There's no clear instructions for how to 17 handle the double-layered pan- -- panel in this 18 case. 19 Q. In the process sheet that you reviewed, was 20 there any clear instructions for them to handle the 21 fact that there's a double-layered panel? 22 MR. LAW: Objection. The question is 23 vague and argumentative. 24 THE WITNESS: From -- from my memory, 25 the -- the process sheet was similar to the drawing</p>

22 (Pages 85 to 88)

<p>Page 89</p> <p>1 information. 2 BY MR. CALABRO: 3 <b>Q. Fair to say that there was no clear</b> 4 <b>instructions for the folks on the line of how to</b> 5 <b>ensure that butyl patch was applied appropriately to</b> 6 <b>ensure a seal with respect to this double-layered</b> 7 <b>panel?</b> 8 MR. LAW: Objection; argumentative as to 9 the term "fair to say", and "vague". 10 THE WITNESS: The process sheet mirrors 11 the drawing information. 12 BY MR. CALABRO: 13 <b>Q. So there wasn't a clear instruction on how to</b> 14 <b>ensure there was a proper seal due to the fact that</b> 15 <b>there's a double-layered panel?</b> 16 MR. LAW: Same objection. 17 THE WITNESS: There was no specific 18 cross section on the process sheet that showed a 19 double-layered panel. 20 BY MR. CALABRO: 21 <b>Q. Was there any instructions in the process</b> 22 <b>sheet that alerted people on the line to make sure</b> 23 <b>that, due to the nature of the double-layered panel,</b> 24 <b>they have to make sure that the patch is secured</b> 25 <b>properly to both layers?</b></p>	<p>Page 91</p> <p>1 A. Otherwise it appears correct. 2 <b>Q. Do you know if Brad is a -- the word "Brad",</b> 3 <b>is that a reference to a person or a group or is</b> 4 <b>that a typo?</b> 5 A. It's a reference to a person. 6 <b>Q. What -- what person?</b> 7 A. That would have been the T- -- TCS, Total 8 Customer Satisfaction, vice president, Brad Thacker 9 at the time. 10 <b>Q. All right. So this -- both the chart -- I'm</b> 11 <b>sorry, not the chart. Both the picture and the</b> 12 <b>bullet points indicate that there was a technician</b> 13 <b>re- -- sorry, a technical report on this issue as</b> 14 <b>early as 2006; is that right?</b> 15 A. There was a technical report in 2006, 16 correct. 17 <b>Q. That was issued by NCI?</b> 18 A. Yeah, NCI, is Nissan Canada Incorporated. 19 <b>Q. Is that part of NNA?</b> 20 A. They are not part of NNA. 21 <b>Q. Okay. NNA, Nissan North America, is not</b> 22 <b>Canada?</b> 23 A. Strike that. That -- let me -- let me 24 clarify. 25 <b>Q. Okay.</b></p>
<p>Page 90</p> <p>1 A. In the process sheet I saw, it did not 2 indicate any specific instructions related to a 3 double-layered panel. 4 <b>Q. Would there be any other instructions that</b> 5 <b>you're aware of at the plant other than the process</b> 6 <b>sheets to the people on the line?</b> 7 A. Not that I am aware of, no. 8 <b>Q. Turn the page to 3596. This slide is</b> 9 <b>entitled history of this concern. Do you see that?</b> 10 A. I do. 11 <b>Q. Have you had a chance to review this?</b> 12 A. I've seen this previously, yes. 13 <b>Q. And is there any inaccuracies in here that</b> 14 <b>you're aware of?</b> 15 A. No. 16 <b>Q. Okay. I'm going to refer you also to the</b> 17 <b>next page, page ending in 3597.</b> 18 A. Okay. 19 <b>Q. Take a minute to just double check that and</b> 20 <b>to see if there's any inaccuracies with respect to</b> 21 <b>what's on that slide as well.</b> 22 A. Not inaccurate, but the phrase, "Brad agreed 23 to do something", is vague. I'm -- I'm not for sure 24 what that means. 25 <b>Q. Okay.</b></p>	<p>Page 92</p> <p>1 A. They are a sales organization inside of 2 the -- the full North American scope, you're 3 correct. 4 <b>Q. Okay.</b> 5 A. I apologize for that. 6 <b>Q. Okay, yeah. Are technical reports issued by</b> 7 <b>NCI also shared with folks in the United States?</b> 8 A. They are. 9 <b>Q. Okay.</b> 10 A. They would come to our NNA Field Quality 11 Investigation Team. 12 <b>Q. It says that even though this was issued in</b> 13 <b>2006, no CAR was issued due to low incident number.</b> 14 <b>Do you see that?</b> 15 A. I do, yes. 16 <b>Q. What is CAR?</b> 17 A. CAR is Countermeasure Action Request. 18 <b>Q. And what does that mean in plain English?</b> 19 A. That would be a document that's issued by our 20 field quality investigations team to an entity for a 21 countermeasure. 22 So, for example, if it was a -- considered 23 to be a manufacturing concern, there would be a CAR 24 issued to the plant for review and then a -- to 25 reply with some fix.</p>

23 (Pages 89 to 92)



<p>Page 93</p> <p>1 Q. Now, the L31 at issue here was manufactured 2 through April of 2007; is that correct? 3 A. That's my understanding, yes. 4 Q. So if a countermeasure had been issued at 5 that time, at least some cars probably could have 6 been countermeasured before the end of production? 7 MR. LAW: Objection; calls for 8 speculation; lacks foundation. 9 THE WITNESS: I can only say that if a 10 CAR was issued at that time, it -- it -- it could 11 have been investigated potentially at the plant. I 12 can't speculate to whether a countermeasure would 13 have been taken or not. 14 BY MR. CALABRO: 15 Q. And then A34 was produced through May of 16 2008, correct? 17 A. That's correct. 18 Q. So countermeasures could have been taken with 19 respect to the Altima or Maxima as well? 20 MR. LAW: Same objection. 21 THE WITNESS: Same answer, also. A CAR 22 could have been issued at the plant. I can't 23 speculate whether or if a countermeasure would have 24 been applied or not. 25 ///</p>	<p>Page 95</p> <p>1 Is that how I would read that? 2 A. That's correct, yes. 3 Q. If you'll look back at Tab 3 -- or Exhibit 3, 4 those safety notes that we were reviewing were dated 5 December of 2011? 6 A. That's correct. 7 Q. Do you know whether there was anything 8 further done between November of 2011 and December 9 of 2011? 10 A. No, I do not. 11 Q. Okay. And so the safety concerns -- no 12 safety impact that's referenced here in this slide 13 on page 3597, is just summarizing the same 14 conclusions that we saw in Exhibit 3? 15 A. That's correct. 16 Q. Okay. Fur -- a couple bullet -- bullet 17 points further down -- well, just the next bullet 18 point down, it says, Dealer advisory board raised 19 concern to NNA. 20 A. Yes. 21 Q. I see that's Nissan North America? 22 A. It is. It looks like a typo. 23 Q. Yeah. Do you know what that concern was that 24 the dealer advisory board raised? 25 A. My understanding is the dealer advisory board</p>
<p>Page 94</p> <p>1 BY MR. CALABRO: 2 Q. Did Nissan do any investigation to determine 3 whether -- had the butyl patch been properly sealed, 4 as we saw in the diagrams, that that would have 5 prevented the corrosion from occurring? 6 A. Our understanding is in the proper applied 7 condition, it would have prevented water and salt 8 intrusion to the floor panel. 9 Q. What's that understanding based on? 10 A. Based on our design team, the validation 11 process that was done prior to the start of 12 production of the L31 Altima. 13 Q. So those were tested prior to production 14 according to Nissan's normal protocols and it passed 15 those protocols that there wouldn't have been salt 16 and salt water that would have gotten into these -- 17 A. Yes, that's my understanding. 18 Q. As -- and that's your understanding based 19 on -- as the representative of Nissan? 20 A. Yes. 21 Q. Okay. If you look down here at the middle 22 bullet point. It looks like it starts with finish. 23 A. Okay. 24 Q. Finish study of safety impact on November 18, 25 2011.</p>	<p>Page 96</p> <p>1 raised some concerns that they were seeing in the 2 northern areas, incidents for the floor pan rust. 3 Q. Okay. Did they express the safety concern or 4 just -- they were concerned generally about this 5 issue? 6 A. They just raised the concern as a field 7 issue, no safety concern raised. 8 Q. Next bullet point says, Information to NHTSA 9 on, I guess, February 2012. 10 A. Yes. 11 Q. And NHTSA agreed this is no-safety concern? 12 A. That's correct. 13 Q. Is that based on the same reason we discussed 14 with respect to Exhibit 3? 15 A. It is, yes. 16 Q. Okay. Do you know whether NHTSA did its own 17 independent investigation or does it just rely on 18 the results that Nissan provides? 19 A. I'm not aware of any independent 20 investigation by NHTSA on this specific issue. 21 Q. So the next bullet point says, NNA top 22 management meeting on March 27, 2012, correct? 23 A. Yes. 24 Q. So Brad Thacker agrees to do something in 25 2012?</p>

24 (Pages 93 to 96)

<p>Page 97</p> <p>1 A. This is the statement. I can't -- I can't</p> <p>2 explain what the something means in this -- in</p> <p>3 this --</p> <p>4 <b>Q. Okay.</b></p> <p>5 A. -- phrasing.</p> <p>6 <b>Q. Do you know whether there was any decision</b></p> <p>7 <b>made in that timeframe to take any kind of action?</b></p> <p>8 A. Not to my -- I'm not aware of any decision</p> <p>9 that was made at that time.</p> <p>10 <b>Q. Okay. The very last bullet point is AFR,</b></p> <p>11 <b>draft idea, what's AFR?</b></p> <p>12 A. AFR is Appropriate Field Repair.</p> <p>13 <b>Q. Appropriate Field Repair, what does that</b></p> <p>14 <b>mean?</b></p> <p>15 A. That's just an acronym that we use for -- the</p> <p>16 AFR essentially is used to create the technical</p> <p>17 service bullet instructions to the dealer --</p> <p>18 <b>Q. Okay.</b></p> <p>19 A. -- on how to repair.</p> <p>20 <b>Q. And it says, AFR draft idea was evaluated and</b></p> <p>21 <b>do final modification April of 2013.</b></p> <p>22 A. I see that, yes.</p> <p>23 <b>Q. So what does that mean?</b></p> <p>24 A. This -- the -- the drafts for the field</p> <p>25 repair was evaluated by both field quality and</p>	<p>Page 99</p> <p>1 BY MR. CALABRO:</p> <p>2 <b>Q. Now, if you look at this slide on the</b></p> <p>3 <b>left-hand side that says, NTCNA method, previous, do</b></p> <p>4 <b>you see that?</b></p> <p>5 A. I do.</p> <p>6 MR. CALABRO: And let me mark as</p> <p>7 Exhibit 6, document with Bates Number NNA2814.</p> <p>8 (WHEREUPON, the above-mentioned</p> <p>9 document was marked as Exhibit Number 6.)</p> <p>10 MR. CALABRO: This was actually produced</p> <p>11 as an Excel spreadsheet, but we printed it out.</p> <p>12 Yeah, this is 6. And why don't we also look at what</p> <p>13 I'll mark as Exhibit 7 with Bates Number 3025.</p> <p>14 (WHEREUPON, the above-mentioned</p> <p>15 document was marked as Exhibit Number 7.)</p> <p>16 BY MR. CALABRO:</p> <p>17 <b>Q. Let me know when you've had a chance to</b></p> <p>18 <b>review both of those, sir.</b></p> <p>19 A. Okay.</p> <p>20 <b>Q. Okay. Exhibit 6 is entitled Altima floor pan</b></p> <p>21 <b>repair procedures, do you see that?</b></p> <p>22 A. I do.</p> <p>23 <b>Q. Can you identify this document?</b></p> <p>24 A. I've seen this document, yes.</p> <p>25 <b>Q. And is this, in fact, the procedure for a</b></p>
<p>Page 98</p> <p>1 design and agreed as reasonable as of April 2013.</p> <p>2 <b>Q. Okay. Now, if you'll turn the page, and this</b></p> <p>3 <b>is the page with 30- -- with Bates Number 3598.</b></p> <p>4 <b>This is the AFR study that I think you were</b></p> <p>5 <b>referring to earlier; is that right, sir?</b></p> <p>6 A. This does detail the AFR study, correct.</p> <p>7 <b>Q. Now, there's a reference to e-room link. Do</b></p> <p>8 <b>you see that?</b></p> <p>9 A. I do.</p> <p>10 <b>Q. What's that?</b></p> <p>11 A. The e-room link -- the e-room was a previous</p> <p>12 document location for FQA-related materials for</p> <p>13 issues that we're investigating.</p> <p>14 <b>Q. Is there still an e-room?</b></p> <p>15 A. It is changed to an alliance connect site</p> <p>16 which is a different type of database.</p> <p>17 <b>Q. What is alliance connect?</b></p> <p>18 A. It is a database that houses on the web --</p> <p>19 it's a web-based database that houses documents.</p> <p>20 <b>Q. Everything that was on e-room is now on</b></p> <p>21 <b>Alliance connect?</b></p> <p>22 MR. LAW: I'll object; calls for</p> <p>23 speculation; outside of the scope of his</p> <p>24 designation.</p> <p>25 THE WITNESS: That's correct.</p>	<p>Page 100</p> <p>1 <b>floor pan repair, that NTCNA developed?</b></p> <p>2 A. Yeah. This -- this -- this repair procedure</p> <p>3 would match on the 3598, the left-hand side, NTCNA</p> <p>4 method previous procedure.</p> <p>5 <b>Q. Okay. And when you say "this one", you're</b></p> <p>6 <b>talking about the procedure we see in Exhibit 6?</b></p> <p>7 A. That's correct.</p> <p>8 <b>Q. All right. And this was developed by NTCNA?</b></p> <p>9 A. That's correct, is my understanding.</p> <p>10 <b>Q. And if you then look at Exhibit 7, is this</b></p> <p>11 <b>the same procedure as well?</b></p> <p>12 A. This is essentially a summary of Exhibit 6.</p> <p>13 Exhibit 7 is a -- a -- a shortened summary of</p> <p>14 Exhibit 6.</p> <p>15 <b>Q. All right. And it rec- -- and it notes at</b></p> <p>16 <b>the top of Exhibit 7 that this is the repair</b></p> <p>17 <b>procedure recommended by NTCNA.</b></p> <p>18 A. That's correct.</p> <p>19 <b>Q. All right. Now, the NTCNA recommended repair</b></p> <p>20 <b>procedure as we see in Exhibit 6 is estimated to</b></p> <p>21 <b>cost around \$1,400?</b></p> <p>22 A. That's -- that's correct.</p> <p>23 <b>Q. Now, is this the cost to the customer or is</b></p> <p>24 <b>this just the cost of actually -- just the parts and</b></p> <p>25 <b>labor?</b></p>

25 (Pages 97 to 100)

<p style="text-align: right;">Page 101</p> <p>1 A. This would have been the -- the parts and 2 labor cost -- 3 <b>Q. Okay.</b> 4 A. -- required. 5 <b>Q. All right. And so if we go back to</b> 6 <b>Exhibit 2, we're looking at that slide again on page</b> 7 <b>3598, that's what it's referring to as the NTCNA</b> 8 <b>method about \$1,400 --</b> 9 A. That's correct. 10 <b>Q. -- total cost?</b> 11 <b>Now, the cost to the customer was much</b> 12 <b>larger than that; is that right?</b> 13 MR. LAW: I'll object; calls for 14 speculation and lacks foundations. It's outside of 15 the scope. 16 BY MR. CALABRO: 17 <b>Q. I'll withdraw the question. We'll come back</b> 18 <b>to it.</b> 19 <b>So that's labeled anyways, the previous</b> 20 <b>method; is that right?</b> 21 A. That was the cost of the previous method, 22 correct. 23 <b>Q. All right. And then if we look at -- on the</b> 24 <b>right side, there is the FQA, slash, NTCNA method.</b> 25 <b>Do you see that?</b></p>	<p style="text-align: right;">Page 103</p> <p>1 <b>Q. Now, if you'll go to the ending in 3603,</b> 2 <b>Bates Number 3603, this is identifying the salt</b> 3 <b>states, both this page and the next page 3604; is</b> 4 <b>that right?</b> 5 A. 3603 indicates the shaded areas as salt 6 states as indicated by NHTSA. 7 <b>Q. Missouri is a salt state?</b> 8 A. Yes, it's indicated by NHTSA, correct. 9 <b>Q. Now, it's got a star on it, and I can't tell,</b> 10 <b>because this is black and white. Do you know</b> 11 <b>whether it's supposed to be a blue, red, or green</b> 12 <b>star?</b> 13 A. I do not know. 14 <b>Q. Okay. Turn the page, on this page -- page</b> 15 <b>with Bates ending in 3604, there's a dark line that</b> 16 <b>sort of comes down the west coast, the border of</b> 17 <b>Canada, between Canada and the US and then down</b> 18 <b>around Missouri and back up north. What does that</b> 19 <b>line represent? Is that, again, the salt area</b> 20 <b>versus the non salt area?</b> 21 A. That line was our -- yeah, designation 22 between salt and non salt. 23 <b>Q. So this was Nissan's designation between salt</b> 24 <b>and non salt?</b> 25 A. Correct. Only for the Canada -- because of</p>
<p style="text-align: right;">Page 102</p> <p>1 A. I see that, yes. 2 <b>Q. All right. And so how does this method</b> 3 <b>differ from the previous method?</b> 4 A. This method called for a specific service kit 5 that had service plates that were applied with rivet 6 nuts and adhesive to the vehicle. 7 <b>Q. Okay. But it was not cutting out the rust</b> 8 <b>part?</b> 9 A. That's right. It would have -- it provided a 10 kit part potentially to -- that replaced the need 11 for the entire floor pan. 12 <b>Q. Now, the kit part did not have a hole in it</b> 13 <b>like the -- like the actual floor pan did coming off</b> 14 <b>the line; is that right?</b> 15 A. It did not have a hole that was similar to 16 that hole. There were -- you're correct. That's -- 17 that's correct. That specific hole was not included 18 in that plan. 19 <b>Q. This pan --</b> 20 A. This -- 21 <b>Q. -- covered up --</b> 22 A. This -- 23 <b>Q. -- that hole.</b> 24 A. This -- this service plate was a cover -- was 25 used as a cover.</p>	<p style="text-align: right;">Page 104</p> <p>1 Canada. There's no Canada -- Canada from a Nissan 2 perspective is considered all salt. 3 <b>Q. Okay.</b> 4 A. So we can use the NHTSA designation for the 5 20 states and then Canada. 6 <b>Q. Okay. If you look on the next page 3605, it</b> 7 <b>says FQA homework items from March discussion. Who</b> 8 <b>would have assigned this homework?</b> 9 A. I'm not clear who would have assigned 10 specifically this homework. 11 <b>Q. Is there a group or a committee that would</b> 12 <b>normally say you guys need to do more work on this?</b> 13 A. I cannot speculate exactly who -- who 14 assigned these three items. 15 <b>Q. I understand you might not know the name of</b> 16 <b>the people, but is there a group or committee or</b> 17 <b>somebody who would be responsible for these kinds of</b> 18 <b>decisions?</b> 19 A. These -- these items would have come out 20 potentially between discussion between field quality 21 assurance and NML. 22 <b>Q. MML?</b> 23 A. NML. 24 <b>Q. Okay. And -- and what -- what those</b> 25 <b>discussions said is, go develop a cost-effective</b></p>

26 (Pages 101 to 104)

<p style="text-align: right;">Page 105</p> <p>1 repair method for usage on only the affected</p> <p>2 population; is that right?</p> <p>3 A. That was one of the points mentioned, yes,</p> <p>4 correct.</p> <p>5 Q. And determine estimated cost for potential</p> <p>6 campaign on affected population.</p> <p>7 A. Correct.</p> <p>8 Q. And those are just more detailed related to</p> <p>9 the actual option; is that right, sir?</p> <p>10 A. Yeah. If you are on 3606, it indicates three</p> <p>11 potential options that were studied.</p> <p>12 Q. If you look at this slide on 3607 under 1TSB,</p> <p>13 there's a bullet point at the bottom that says</p> <p>14 increases risk. Do you see that?</p> <p>15 A. I see it.</p> <p>16 Q. And -- and -- and what is that referencing?</p> <p>17 Increases risk of what?</p> <p>18 A. I don't know the context of that comment.</p> <p>19 Q. Okay. Now, if you go to the pages with Bates</p> <p>20 Number 3614 and 15.</p> <p>21 A. Okay.</p> <p>22 Q. So, again, we're seeing that labor and cost</p> <p>23 breakdown for the NTCNA recommended procedure at</p> <p>24 \$1,400 per repair. Do you see that?</p> <p>25 A. I see that, yes.</p>	<p style="text-align: right;">Page 107</p> <p>1 THE WITNESS: There was no decision for</p> <p>2 a service campaign at -- or at this time, that's</p> <p>3 correct.</p> <p>4 BY MR. CALABRO:</p> <p>5 Q. Well, they never agreed to do this, correct?</p> <p>6 A. Nissan has not done -- has not decided on a</p> <p>7 service campaign for this issue.</p> <p>8 Q. And when -- because they haven't decided on</p> <p>9 it, they have not agreed to do this, correct?</p> <p>10 A. There was no agreement to do this action,</p> <p>11 correct.</p> <p>12 Q. Turn the page to basic overview. At the</p> <p>13 bottom it says, potential effects. It says,</p> <p>14 customer may notice rust or perforation on the</p> <p>15 underside of the vehicle. NTCNA has concluded in</p> <p>16 its safety assessment, this concern does not pose</p> <p>17 any unreasonable risk to safety. Do you see that?</p> <p>18 A. I see that, yes.</p> <p>19 Q. So some risk to safety; is that right?</p> <p>20 MR. LAW: I'll object; calls for</p> <p>21 speculation.</p> <p>22 THE WITNESS: Okay. Nissan's position</p> <p>23 was there was no unreasonable risk to safety.</p> <p>24 BY MR. CALABRO:</p> <p>25 Q. I understand there was no unreasonable risk</p>
<p style="text-align: right;">Page 106</p> <p>1 Q. And then over on 3615, they actually project</p> <p>2 out what the cost of such a campaign would be,</p> <p>3 correct?</p> <p>4 A. That's correct.</p> <p>5 Q. And so they look at, you know, the population</p> <p>6 of the affected area, both the -- of just the</p> <p>7 United -- U.S. salt areas and Canada. It looks at</p> <p>8 the estimated percentage of rust for cars in that</p> <p>9 area, estimated campaign completion rate, do you see</p> <p>10 that?</p> <p>11 A. I do.</p> <p>12 Q. So that -- and correct me if I'm wrong, but</p> <p>13 what that means is, we think 85 percent of the</p> <p>14 people who are contacted are going to participate in</p> <p>15 the campaign?</p> <p>16 A. That's correct.</p> <p>17 Q. And then they'd receive the estimated cost</p> <p>18 per vehicle and then the projected cost was</p> <p>19 \$749 million?</p> <p>20 A. For this potential option, yes, that's</p> <p>21 correct.</p> <p>22 Q. And so Nissan executives said we're not doing</p> <p>23 that.</p> <p>24 MR. LAW: I'll object; calls for</p> <p>25 speculation.</p>	<p style="text-align: right;">Page 108</p> <p>1 to safety, but does that mean that there was still</p> <p>2 some risk to safety?</p> <p>3 A. Nissan's position is there was no safety risk</p> <p>4 for this issue.</p> <p>5 Q. Zero?</p> <p>6 A. No safety risk.</p> <p>7 Q. Okay. And that's all based on the safety</p> <p>8 discussion that we talked about earlier with</p> <p>9 Exhibit 3?</p> <p>10 A. Correct.</p> <p>11 Q. Okay. If we look at the slide with 3619,</p> <p>12 this is just summarizing the various cost options;</p> <p>13 is that right?</p> <p>14 A. That's correct.</p> <p>15 MR. CALABRO: All right. Let's mark as</p> <p>16 Exhibit 8 Bates Number 3576 through 82, and we</p> <p>17 printed out some if not all of the attachments.</p> <p>18 (WHEREUPON, the above-mentioned</p> <p>19 document was marked as Exhibit Number 8.)</p> <p>20 BY MR. CALABRO:</p> <p>21 Q. Let me know when you're ready, sir.</p> <p>22 A. I'm ready.</p> <p>23 Q. All right. Do you see-- do you recognize</p> <p>24 this as an e-mail from you to Mr. Hammoud dated</p> <p>25 May 5, 2015?</p>

27 (Pages 105 to 108)

Page 109	Page 111
<p>1 A. Yes, I do.</p> <p>2 <b>Q. Okay. Any reason to doubt that you sent this</b></p> <p>3 <b>e-mail in the form attached and presented here as</b></p> <p>4 <b>Exhibit 8?</b></p> <p>5 A. No reason -- no concern.</p> <p>6 <b>Q. There is no reason --</b></p> <p>7 A. No -- reason.</p> <p>8 <b>Q. -- to dispute that, right?</b></p> <p>9 A. No.</p> <p>10 <b>Q. All right. You'll see that you write here,</b></p> <p>11 <b>Selim, Per your request, see attached materials.</b></p> <p>12 <b>One, TM Summary Sheet from last TM meeting in March</b></p> <p>13 <b>2014 that recommended closure. Do you see that,</b></p> <p>14 <b>sir?</b></p> <p>15 A. I do.</p> <p>16 <b>Q. All right. And that is the document with</b></p> <p>17 <b>Bates Number 3582?</b></p> <p>18 A. That's correct.</p> <p>19 <b>Q. All of those printouts?</b></p> <p>20 A. That's correct.</p> <p>21 <b>Q. All right. So this is the final TM summary</b></p> <p>22 <b>sheet even though it says draft on the actual first</b></p> <p>23 <b>page of the document?</b></p> <p>24 A. This is -- this represents the final TM</p> <p>25 coversheet.</p>	<p>1 <b>Q. Okay. We'll talk about what that level is in</b></p> <p>2 <b>a little bit, but I just want to make sure we've got</b></p> <p>3 <b>all of this. If you look at -- I'm primarily</b></p> <p>4 <b>interested in the technical meeting sheet, 3582.</b></p> <p>5 <b>You will see there's a number 1 at the top, column 1</b></p> <p>6 <b>or I guess, it's more of a row. The subject is A34</b></p> <p>7 <b>Maxima, L31 Altima floor pan, correct?</b></p> <p>8 A. That's correct.</p> <p>9 <b>Q. All right. And it identifies the</b></p> <p>10 <b>manufacturing plans that we've talked about?</b></p> <p>11 A. That's correct.</p> <p>12 <b>Q. It then references KD parts. What does that</b></p> <p>13 <b>mean?</b></p> <p>14 A. So a KD part is a part -- it's just a</p> <p>15 designation internally for when a part is purchased</p> <p>16 by a region from NML. So if a part were to be</p> <p>17 purchased by Smyrna plant to NML directly, it would</p> <p>18 have a KD designation.</p> <p>19 <b>Q. Do you know what KD stands for?</b></p> <p>20 A. I do not.</p> <p>21 <b>Q. Okay.</b></p> <p>22 A. Not -- well, strike that, sorry. I believe</p> <p>23 it's knock down.</p> <p>24 <b>Q. Okay.</b></p> <p>25 A. Yeah. But that's probably a bad Japanese</p>
Page 110	Page 112
<p>1 <b>Q. And then it says, the cover of the e-mail</b></p> <p>2 <b>that it's the final as well.</b></p> <p>3 A. Yes.</p> <p>4 <b>Q. Just wanted to clarify that.</b></p> <p>5 <b>And then also number 2, Safety assessment</b></p> <p>6 <b>provided by NTCNA.</b></p> <p>7 A. Yes, correct.</p> <p>8 <b>Q. And that's just a black-and-white version of</b></p> <p>9 <b>what we already saw as Exhibit 3, right?</b></p> <p>10 A. That's correct.</p> <p>11 <b>Q. All right. Same information?</b></p> <p>12 A. Same information, correct.</p> <p>13 <b>Q. Now, this would have be -- been presented</b></p> <p>14 <b>to -- is it, the technical meeting?</b></p> <p>15 A. This would have been a technical meeting</p> <p>16 discussion, yes.</p> <p>17 <b>Q. All right. Again, all of the information</b></p> <p>18 <b>that's included in here, there was an effort to</b></p> <p>19 <b>ensure it was accurate and reliable?</b></p> <p>20 A. Yes, correct.</p> <p>21 <b>Q. Because these decisions are made based on the</b></p> <p>22 <b>information provided in the documents?</b></p> <p>23 A. Yes. The tech- -- the technical meeting</p> <p>24 sheet is the source document for the decision at</p> <p>25 that level, correct.</p>	<p>1 translation, so...</p> <p>2 <b>Q. Okay. Do you speak any Japanese?</b></p> <p>3 A. Very -- sochi.</p> <p>4 <b>Q. Okay.</b></p> <p>5 A. A couple words.</p> <p>6 <b>Q. So anyway it identifies that there are no KD</b></p> <p>7 <b>plant parts, paren, floor assembly stamped with MFG</b></p> <p>8 <b>plant.</b></p> <p>9 A. Yeah. Essentially it's saying the floor</p> <p>10 assembly is produced inside of the Smyrna facility.</p> <p>11 It's not purchased from a Japanese supplier.</p> <p>12 <b>Q. Okay. And then, again, it identifies the --</b></p> <p>13 <b>the incident as corrosion rust in floor pan of</b></p> <p>14 <b>vehicle. Incident vehicles have shown rusted area</b></p> <p>15 <b>on both left-hand and right-hand sides of floor pan;</b></p> <p>16 <b>is that right?</b></p> <p>17 A. I see that, yes. That's correct.</p> <p>18 <b>Q. That's what that means?</b></p> <p>19 A. That's right.</p> <p>20 <b>Q. All right. And then cause of incident, butyl</b></p> <p>21 <b>patch on front floor was not pressed down</b></p> <p>22 <b>sufficiently during manufacturing process, allowing</b></p> <p>23 <b>water to -- between the two floor panels. Do you</b></p> <p>24 <b>see that?</b></p> <p>25 A. I do see that, yes.</p>

28 (Pages 109 to 112)

<p>Page 113</p> <p>1 Q. Were there butyl patches on other parts of</p> <p>2 the floor assembly?</p> <p>3 A. There are butyl patches on other parts of the</p> <p>4 floor assembly, yes, correct.</p> <p>5 Q. Where do you see corrosion related to the</p> <p>6 other butyl patches?</p> <p>7 A. We didn't see any other corrosion or floor</p> <p>8 rust concern related to the other patches.</p> <p>9 Q. Was there an investigation to determine why</p> <p>10 that was?</p> <p>11 A. Not to my -- not to my knowledge.</p> <p>12 Q. Okay. Do you have any theories as to why</p> <p>13 there was -- is only rust coming out of the front</p> <p>14 floor butyl patches and not any of the other ones?</p> <p>15 MR. LAW: You asking him personally?</p> <p>16 It's outside of the scope of his designation.</p> <p>17 BY MR. CALABRO:</p> <p>18 Q. Well, I'll ask it both ways. I'll ask you as</p> <p>19 a Nissan representative.</p> <p>20 A. All I can say is for the specific issue of</p> <p>21 concern, it had the two-layer condition. Some of</p> <p>22 the other holes were a single layer.</p> <p>23 Q. Okay.</p> <p>24 A. But I don't know otherwise.</p> <p>25 ///</p>	<p>Page 115</p> <p>1 produced --</p> <p>2 Q. Okay.</p> <p>3 A. -- as an approximate number.</p> <p>4 Q. And then it provides in 7, the total number</p> <p>5 of affected vehicles. And those are based on</p> <p>6 Nissan's projection, correct?</p> <p>7 A. That's correct.</p> <p>8 Q. All right. And then it also says, related</p> <p>9 TCS. Do you see that?</p> <p>10 A. I do.</p> <p>11 Q. I think you told me what TCS is, but I</p> <p>12 forgot. What is TCS?</p> <p>13 A. Total Customer Satisfaction.</p> <p>14 Q. What does that mean?</p> <p>15 A. That's the organization within Nissan North</p> <p>16 America that is responsible for customer</p> <p>17 satisfaction and field quality.</p> <p>18 Q. And are there different TCS for different</p> <p>19 countries?</p> <p>20 A. There are, yes.</p> <p>21 Q. And that's what this is?</p> <p>22 A. That's correct.</p> <p>23 Q. And the only one it affects is Nissan North</p> <p>24 America?</p> <p>25 A. That's correct.</p>
<p>Page 114</p> <p>1 Q. All right. So now I want to skip down a</p> <p>2 little bit to 6, Section 6. Okay. Again, it's</p> <p>3 identifying production period effect, L31 2002 to</p> <p>4 2006 model year, correct?</p> <p>5 A. That's correct.</p> <p>6 Q. Produced from June of 2001 through April of</p> <p>7 2007?</p> <p>8 A. Correct.</p> <p>9 Q. Also A34 model years 2004 through 2008?</p> <p>10 A. Correct.</p> <p>11 Q. And in production from December or 2002</p> <p>12 through May 2008?</p> <p>13 A. Correct.</p> <p>14 Q. Then it says, reason why not applicable to</p> <p>15 the vehicles manufactured outside of the above</p> <p>16 dates. And the reason provided is all production</p> <p>17 for L31 Altima and A34 Maxima are included, correct?</p> <p>18 A. That's -- that's correct.</p> <p>19 Q. All right. And that's approximately</p> <p>20 1.7 million vehicles?</p> <p>21 A. That's correct.</p> <p>22 Q. Now, that never represents the total number</p> <p>23 of vehicles produced or sold or in -- in -- in</p> <p>24 service as of the date of March 2014?</p> <p>25 A. This would have just been the total number</p>	<p>Page 116</p> <p>1 Q. Nissan Mex- -- is it NMX? I'm assuming</p> <p>2 that's Nissan Mexico?</p> <p>3 A. NMX is Nissan Mexico.</p> <p>4 Q. Different organization?</p> <p>5 A. Different organization.</p> <p>6 Q. Do they also sell or have responsibility for</p> <p>7 customer satisfaction with respect to either the L31</p> <p>8 or the A34?</p> <p>9 MR. LAW: Objection; outside the scope.</p> <p>10 THE WITNESS: Can you repeat that?</p> <p>11 BY MR. CALABRO:</p> <p>12 Q. Sure. It says, no, next to M- -- MEX. And</p> <p>13 so my question is, in Mexico, do they sell or did</p> <p>14 they sell the L31?</p> <p>15 A. I don't specifically know or remember.</p> <p>16 Q. What about the A34?</p> <p>17 MR. LAW: Same objection; outside the</p> <p>18 scope.</p> <p>19 THE WITNESS: Same answer. I don't</p> <p>20 specifically remember.</p> <p>21 MR. SMITH: Counsel, whenever you come</p> <p>22 to a stopping point --</p> <p>23 MR. CALABRO: I'm going to need a couple</p> <p>24 more minutes, and then we can break, if you don't</p> <p>25 mind.</p>

29 (Pages 113 to 116)

<p>Page 117</p> <p>1 BY MR. CALABRO: 2 <b>Q. The next section down, confirmation of other</b> 3 <b>models.</b> 4 A. Uh-huh. 5 <b>Q. It says, reason why not applicable to other</b> 6 <b>models, and it's identified as a unique floor</b> 7 <b>assembly structure for L31 and A34. Do you see</b> 8 <b>that?</b> 9 A. I see that. 10 <b>Q. So based on this document and the other</b> 11 <b>documents that we saw today, both the L31 and A34</b> 12 <b>had a unique floor assembly structure with this</b> 13 <b>two-piece structure. It affected all L31 and all</b> 14 <b>A34s, but no other Nissan model that you're aware</b> 15 <b>of?</b> 16 A. That's my understanding, yes, that's correct. 17 <b>Q. Did subsequent models -- what I mean by that</b> 18 <b>is, the newer versions, the L32 and whatever</b> 19 <b>pre- -- succeed the A34? Did they also have</b> 20 <b>two-piece structures?</b> 21 A. My understanding is, like, for the L32, it -- 22 it was a single-piece structure, not the two piece. 23 <b>Q. And what about prior models? Did they have</b> 24 <b>two-piece structures as well?</b> 25 A. We're not aware of any other models that had</p>	<p>Page 119</p> <p>1 BY MR. CALABRO: 2 <b>Q. So you don't have any idea whether -- why</b> 3 <b>these -- only these models required this two-piece</b> 4 <b>structure, whereas, prior generations and subsequent</b> 5 <b>generations did not?</b> 6 A. I can't speak for other models, outside of 7 the L31 and A34 case. 8 <b>Q. You just don't know?</b> 9 A. I don't know. 10 <b>Q. Okay. And that's your answer as Nissan's</b> 11 <b>representative?</b> 12 MR. LAW: Well, hold on. To the extent 13 you're asking him about the other models, I object. 14 It's outside the scope. He -- he has testified as a 15 representative as to why two plate -- or two panels 16 were used on this vehicle. 17 BY MR. CALABRO: 18 <b>Q. What was it about this structure that</b> 19 <b>required two panels?</b> 20 A. My understanding is the reinforcement was 21 placed there for further support for the seat area. 22 <b>Q. Did you have any involvement with subsequent</b> 23 <b>generations of either the Nissan Altima or the</b> 24 <b>Nissan Maxima?</b> 25 MR. LAW: Object. It's overbroad.</p>
<p>Page 118</p> <p>1 this specific setup for this area with a butyl 2 patch, two layers. 3 <b>Q. Why did Nissan go from -- and just to be sure</b> 4 <b>I understood your -- your answer.</b> 5 A. Okay. 6 <b>Q. Your answer is, prior, Nissan Altima models</b> 7 <b>did not have a two-piece structure, correct?</b> 8 A. To my knowledge that's correct, yes. 9 <b>Q. So why did Nissan go from a one-piece</b> 10 <b>structure to two-piece structure for these two</b> 11 <b>models, L31 and A34?</b> 12 A. For this specific floor structure, the 13 reinforcement on the top layer was a requirement to 14 meet all guidelines for the Nissan design standard 15 for this specific model. 16 <b>Q. Well, why was that true of this model but not</b> 17 <b>true of the preceding model or the succeeding model?</b> 18 MR. LAW: And I'm going to object. It's 19 referring to prior generations of the Altima -- is 20 outside of the scope of his designation. 21 THE WITNESS: Yeah. I can't speak to 22 previous model designs specifically. I know for 23 this model, this specific structure was required to 24 meet the Nissan design standard. 25 ///</p>	<p>Page 120</p> <p>1 THE WITNESS: In what context? 2 BY MR. CALABRO: 3 <b>Q. You personally? Did you have any -- any role</b> 4 <b>or responsibility with respect to the floor pan of</b> 5 <b>the Nissan Altima or the Nissan Maxima that</b> 6 <b>succeeded those L31 and A34 models?</b> 7 MR. LAW: I object; outside the scope. 8 THE WITNESS: Not specifically for the 9 floor pan, no. 10 BY MR. CALABRO: 11 <b>Q. And do you have any -- you as Steve</b> 12 <b>Miller, have any knowledge, one way or the other, as</b> 13 <b>to why there was a different structure with respect</b> 14 <b>to subsequent generation cars that was not apparent</b> 15 <b>with these L31 and A34 cars?</b> 16 MR. LAW: Outside the scope. 17 THE WITNESS: My understanding is the 18 technology of the materials and design, of course, 19 improved over time or changed over time, so the 20 subsequent models would not necessarily need this 21 specific design. 22 <b>Q. How long have you been with Nissan?</b> 23 A. Since 2002, 16 years. 24 <b>Q. Okay. So did you have any involvement with</b> 25 <b>prior models of the Nissan Altima or Nissan Maxima</b></p>

30 (Pages 117 to 120)

<p>Page 121</p> <p>1 prior to L31 and A34?</p> <p>2 A. I did not.</p> <p>3 MR. LAW: How about now? Break?</p> <p>4 MR. CALABRO: We're almost there. Let's</p> <p>5 just finish up this document.</p> <p>6 BY MR. CALABRO:</p> <p>7 <b>Q. At the bottom of that page, it's talking</b></p> <p>8 <b>about predictability and it says, None. Do you see</b></p> <p>9 <b>that?</b></p> <p>10 A. Let me see where you are here.</p> <p>11 <b>Q. Right here at the very bottom.</b></p> <p>12 A. Oh, you're --</p> <p>13 <b>Q. It's in 9.</b></p> <p>14 A. So it's on the second page.</p> <p>15 <b>Q. Oh, I didn't give you the page, sorry.</b></p> <p>16 A. That's all right. Predictability, okay, I</p> <p>17 see it.</p> <p>18 <b>Q. It's printed differently from --</b></p> <p>19 A. Yes, I see it, yes.</p> <p>20 <b>Q. What does that mean?</b></p> <p>21 A. Predictability means, could we -- could we</p> <p>22 predict that the incident was going to occur or not.</p> <p>23 <b>Q. Prior -- I mean, at what point in time is</b></p> <p>24 <b>that addressing this?</b></p> <p>25 A. Well, it would address any time.</p>	<p>Page 123</p> <p>1 we know what that is.</p> <p>2 A. Uh-huh.</p> <p>3 <b>Q. Related G CARS PRO, what's that?</b></p> <p>4 A. That would mean a G CARS project.</p> <p>5 <b>Q. What's G CARS?</b></p> <p>6 A. G CARS is the global countermeasure action</p> <p>7 request system that houses our technical request.</p> <p>8 <b>Q. Okay. And then global one voice in the</b></p> <p>9 <b>next --</b></p> <p>10 A. Yes.</p> <p>11 <b>Q. What is that?</b></p> <p>12 A. Global one voice is a -- a document housed by</p> <p>13 our communications team -- corporate communications,</p> <p>14 that would announce if we were to announce a</p> <p>15 campaign.</p> <p>16 MR. SMITH: Note counsel's refusal to</p> <p>17 accommodate my request.</p> <p>18 MR. CALABRO: I have like two -- two</p> <p>19 questions left.</p> <p>20 BY MR. CALABRO:</p> <p>21 <b>Q. Global one voice, I'm sorry, what did you say</b></p> <p>22 <b>it was?</b></p> <p>23 A. It's a document that wa- -- is owned by our</p> <p>24 corporate communications team. This would be used</p> <p>25 if we were to announce some campaign or proactive</p>
<p>Page 122</p> <p>1 <b>Q. Okay. So even now, now that you know what</b></p> <p>2 <b>the cause is, you still can't predict which model --</b></p> <p>3 <b>which specific cars are going to be affected? Is</b></p> <p>4 <b>that what that's saying?</b></p> <p>5 A. Ex- -- exactly. They can't predict that.</p> <p>6 <b>Q. And then if you look at 11, section 11, it</b></p> <p>7 <b>says, Proposed field action.</b></p> <p>8 A. Yes.</p> <p>9 <b>Q. And it says, Closed; is that right?</b></p> <p>10 A. That's correct.</p> <p>11 <b>Q. So the proposed field action is to close this</b></p> <p>12 <b>investigation?</b></p> <p>13 A. To close this issue in the -- the technical</p> <p>14 meeting process.</p> <p>15 <b>Q. Okay. At the bottom you see a whole section</b></p> <p>16 <b>in blue. Maybe it's on your next page for you, that</b></p> <p>17 <b>says, MCA.</b></p> <p>18 A. Uh-huh.</p> <p>19 <b>Q. What is MCA?</b></p> <p>20 A. Essentially, it's meeting of the chairman</p> <p>21 America. So there's MC, you know, MC China, MC</p> <p>22 Europe.</p> <p>23 <b>Q. Okay.</b></p> <p>24 A. So it's just MC America essentially.</p> <p>25 <b>Q. And then it says, internal use for FQA, which</b></p>	<p>Page 124</p> <p>1 action in the market to our global team.</p> <p>2 <b>Q. The idea is, we want to make sure everybody</b></p> <p>3 <b>is on the same page?</b></p> <p>4 A. Right. Make sure everybody has the same</p> <p>5 information.</p> <p>6 <b>Q. Okay. And then it also says, MCA internal</b></p> <p>7 <b>use for RPA. What's RPA?</b></p> <p>8 A. RPA, is Recurrence Prevention Activity.</p> <p>9 MR. CALABRO: Okay. All right. We can</p> <p>10 take a break.</p> <p>11 THE VIDEOGRAPHER: We are off the record</p> <p>12 at 11:26 a.m.</p> <p>13 (Short break.)</p> <p>14 THE VIDEOGRAPHER: We are back on the</p> <p>15 record at 11:42 a.m.</p> <p>16 MR. CALABRO: We'll mark as Exhibit 9,</p> <p>17 document Bates Number NNA4929 through 31.</p> <p>18 (WHEREUPON, the above-mentioned</p> <p>19 document was marked as Exhibit Number 9.)</p> <p>20 BY MR. CALABRO:</p> <p>21 <b>Q. Let me know when you've had a chance -- let</b></p> <p>22 <b>me know when you've had a chance to review that,</b></p> <p>23 <b>sir.</b></p> <p>24 A. Okay.</p> <p>25 <b>Q. All right, sir. Do you recognize this</b></p>

31 (Pages 121 to 124)



Page 125	Page 127
<p>1 document?</p> <p>2 A. Yes, I do.</p> <p>3 Q. An e-mail chain involving you and various</p> <p>4 folks on it.</p> <p>5 A. Yes, that's correct.</p> <p>6 Q. All right. Any reason to doubt that you sent</p> <p>7 and received e-mails in this chain as they are shown</p> <p>8 in this exhibit?</p> <p>9 A. No reason to doubt.</p> <p>10 Q. All right. This is generally an e-mail chain</p> <p>11 as part of your investigation into this issue; is</p> <p>12 that right, sir?</p> <p>13 A. That's correct, yes.</p> <p>14 Q. In the second e-mail from the beginning on</p> <p>15 page 4931, it's an e-mail to Claude Phillips.</p> <p>16 A. Correct.</p> <p>17 Q. Do you know who that person is?</p> <p>18 A. I do.</p> <p>19 Q. Who is he?</p> <p>20 A. He is an engineer at the Smyrna plant</p> <p>21 responsible for product quality.</p> <p>22 Q. If you skip over to the other page, this is</p> <p>23 page ending in 4930. There's a message from you to</p> <p>24 Bill dated March 7, 2012 at 3:12 in the afternoon.</p> <p>25 You say, Bill, I attempted to delete the file, but I</p>	<p>1 BY MR. CALABRO:</p> <p>2 Q. Okay. The e-mail goes on to say in the</p> <p>3 second paragraph, is there -- and you're asking a</p> <p>4 follow-up question to the process sheet. Is there</p> <p>5 anymore detail about the patch installation listed</p> <p>6 on the install drawing from NTCNA? If so, do you</p> <p>7 know the drawing number of that document? We can</p> <p>8 review that in IDOCS if it is available.</p> <p>9 Do you see that?</p> <p>10 A. I do.</p> <p>11 Q. What's IDOCS?</p> <p>12 A. From my memory, IDOCS was a system where we</p> <p>13 could access design-related documents to show</p> <p>14 installation information, similar to what we</p> <p>15 reviewed earlier.</p> <p>16 Q. Okay. Is IDOCS still a live system?</p> <p>17 A. I'm not aware. I don't know.</p> <p>18 Q. Okay. And the next e-mail up from Bill</p> <p>19 Caruthers, he copies -- it says Keith Sawyer</p> <p>20 there -- do you see that?</p> <p>21 A. I do.</p> <p>22 Q. Do you know who that is?</p> <p>23 A. I vaguely remember Keith. He was a paint</p> <p>24 engineer that was brought into this by Bill at some</p> <p>25 point for investigation.</p>
Page 126	Page 128
<p>1 do not have access rights.</p> <p>2 Do you see that?</p> <p>3 A. I do.</p> <p>4 Q. And that's dealing with e-room stuff?</p> <p>5 A. That would have been deleting a file from the</p> <p>6 e-room, yes.</p> <p>7 Q. All right. Now, can you tell me today what</p> <p>8 date Nissan anticipated litigation involving this</p> <p>9 issue?</p> <p>10 MR. LAW: I'll object. Calls -- calls</p> <p>11 for speculation; lacks foundation.</p> <p>12 THE WITNESS: I don't know the specific</p> <p>13 date.</p> <p>14 BY MR. CALABRO:</p> <p>15 Q. Is there a date that you know Nissan --</p> <p>16 strike the question.</p> <p>17 Is there a date by which you know Nissan</p> <p>18 anticipated litigation with respect --</p> <p>19 MR. LAW: Object. Calls for</p> <p>20 speculations; lacks foundation. It's outside the</p> <p>21 scope of the designation. I'll instruct the witness</p> <p>22 not to answer to the extent that that would invade</p> <p>23 the attorney-client privilege.</p> <p>24 THE WITNESS: I'm not -- not that I'm</p> <p>25 aware.</p>	<p>1 Q. But in Bill's e-mail he says, Rick, please</p> <p>2 help Steve if you can.</p> <p>3 A. Yeah. I think Rick is actually</p> <p>4 Richard McPeek who's up here. So he sent the e-mail</p> <p>5 but meant to -- because he says -- because he says,</p> <p>6 forgot to copy you on --</p> <p>7 Q. Oh, got it --</p> <p>8 A. So he's asking to Rick -- Richard McPeek --</p> <p>9 Q. Yeah. He is -- but anyway the e-mail, the</p> <p>10 original message says, he -- please, help Steve if</p> <p>11 you can. He is referring to the butyl patch on the</p> <p>12 old TK sedan.</p> <p>13 A. Yeah. TK was a design designation for the</p> <p>14 L31 Altima.</p> <p>15 Q. Okay. Did TK reference only the L31?</p> <p>16 A. It did, yes.</p> <p>17 Q. Okay. And then Bill says, if it helps, the</p> <p>18 process sheet number is TD2210.</p> <p>19 Do you see that?</p> <p>20 A. I do.</p> <p>21 Q. Is that the same process sheet we were</p> <p>22 talking about earlier with regards to how people on</p> <p>23 the line were instructed to install the patch?</p> <p>24 A. That would be the same sheet -- sheet, yes.</p> <p>25 Q. And then if you look at the next e-mail up on</p>

32 (Pages 125 to 128)

<p style="text-align: right;">Page 129</p> <p>1 the chain, this is on 4929, it says, Drawing appears</p> <p>2 to be the 74800-8J000.</p> <p>3 Do you see that?</p> <p>4 A. I do.</p> <p>5 Q. What does that number reference?</p> <p>6 A. I believe that number references the</p> <p>7 installation drawing for the floor plan butyl patch.</p> <p>8 Q. Is that different than the process sheet?</p> <p>9 A. This drawing would have been a design</p> <p>10 document. That would have been different from the</p> <p>11 process sheet.</p> <p>12 Q. So what happens is, the engineers take the</p> <p>13 design sheet and then they create the process sheet.</p> <p>14 A. Yes. So an installation drawing may have</p> <p>15 several different processes, so to speak. The</p> <p>16 process engineers will take that document and create</p> <p>17 related-process documents -- process sheets for</p> <p>18 installation that are used by the technician on the</p> <p>19 line.</p> <p>20 Q. Okay. He goes on and -- Mr. Sawyer goes on</p> <p>21 and it says, My opinion is, it really does not show</p> <p>22 anything more than the process sheet. I can tell</p> <p>23 you from a personal standpoint that when I attended</p> <p>24 the corrosion survey in Montreal in 2009 and Rod</p> <p>25 attended in 2008, these floor patches were one of</p>	<p style="text-align: right;">Page 131</p> <p>1 model Altima were far superior.</p> <p>2 Do you see that?</p> <p>3 A. I see it.</p> <p>4 Q. And plug is there, does that mean the butyl</p> <p>5 patch?</p> <p>6 A. I'm not completely sure what plug means in</p> <p>7 this context.</p> <p>8 Q. What else could it have meant?</p> <p>9 A. Could mean a grommet pos- -- but he's not</p> <p>10 clear in his explanation.</p> <p>11 Q. Okay. Do you know whether you followed up</p> <p>12 with these guys after this e-mail?</p> <p>13 A. I don't recall.</p> <p>14 Q. What did we call that exhibit?</p> <p>15 A. Nine.</p> <p>16 Q. Nine.</p> <p>17 Okay. All right. Let's switch gears a</p> <p>18 little bit.</p> <p>19 MR. CALABRO: And we'll mark as Exhibit</p> <p>20 10, document with Bates Number NNA3622 through 35.</p> <p>21 (WHEREUPON, the above-mentioned</p> <p>22 document was marked as Exhibit Number 10.)</p> <p>23 BY MR. CALABRO:</p> <p>24 Q. And let me know when you -- let me know when</p> <p>25 you've had a chance to review that, sir.</p>
<p style="text-align: right;">Page 130</p> <p>1 the top items written up for rust.</p> <p>2 Do you see that?</p> <p>3 A. I see that, yes.</p> <p>4 Q. Do you know what this corrosion survey he</p> <p>5 references is?</p> <p>6 A. Generally, I do. There's an annual survey</p> <p>7 that's done in higher corrosion environments by the</p> <p>8 design and field teams to get data on certain</p> <p>9 vehicles.</p> <p>10 Q. Is that Nissan specific or is that an</p> <p>11 industry con- -- survey?</p> <p>12 A. The way I know, it's Nissan specific. There</p> <p>13 may be other OEMs that attend. I don't know. I'm</p> <p>14 not aware.</p> <p>15 THE VIDEOGRAPHER: Can we go off the</p> <p>16 record real quick. We're having technical issues.</p> <p>17 We are off the record at 11:49 a.m.</p> <p>18 (Short break.)</p> <p>19 THE VIDEOGRAPHER: We're back on the</p> <p>20 record at 11:50 a.m.</p> <p>21 BY MR. CALABRO:</p> <p>22 Q. He says, I still have the pictures. Rod even</p> <p>23 had a floor pan shipped back that sat out in the</p> <p>24 engineering crib for a while.</p> <p>25 Then he says, The plugs used in the next</p>	<p style="text-align: right;">Page 132</p> <p>1 A. Okay.</p> <p>2 Q. You ready?</p> <p>3 A. I'm ready.</p> <p>4 Q. All right, sir. You recognize this as an</p> <p>5 e-mail from John Smith to various individuals</p> <p>6 including yourself dated February 10, 2016?</p> <p>7 A. I do.</p> <p>8 Q. Any reason to doubt that you received this</p> <p>9 e-mail and attachment as provided here in</p> <p>10 Exhibit 10?</p> <p>11 A. No reason to doubt --</p> <p>12 Q. All right.</p> <p>13 A. -- receiving this.</p> <p>14 Q. Do you have a recollection of what this</p> <p>15 e-mail was regarding?</p> <p>16 A. I do not.</p> <p>17 Q. All right. The subject was, Current studies</p> <p>18 for your reference.</p> <p>19 Do you see that?</p> <p>20 A. I see that, yeah.</p> <p>21 Q. All right. And it says, Dale, Steve, Leo,</p> <p>22 these are items I spoke of when you visited FH?</p> <p>23 A. Farmington Hills.</p> <p>24 Q. Farmington Hills?</p> <p>25 A. Yeah.</p>

33 (Pages 129 to 132)

<p style="text-align: right;">Page 133</p> <p>1 <b>Q. What's in Farmington Hills?</b></p> <p>2 A. NTCNA.</p> <p>3 <b>Q. What's John Smith's role at NTCNA?</b></p> <p>4 A. So John Smith is now retired, but he was a --</p> <p>5 a support to the vital issues process at the -- that</p> <p>6 FQA owns. It was kind of a liaison for obtaining</p> <p>7 the proper design folks to be in our discussions,</p> <p>8 and also a -- he was an expert in statistical</p> <p>9 analysis.</p> <p>10 <b>Q. Okay. And he said, I reviewed at NTCNA, but</b></p> <p>11 <b>from an impact point, are best provided to this</b></p> <p>12 <b>group. And he says, one, VI.</b></p> <p>13 <b>I assume that means vital issues?</b></p> <p>14 A. Vital issues, correct.</p> <p>15 <b>Q. Vital issues expense, PDF, design hours for</b></p> <p>16 <b>VI.</b></p> <p>17 <b>When there's a reference to vital issues,</b></p> <p>18 <b>what does that mean, vital issues?</b></p> <p>19 A. So vital issues would be a concern that we</p> <p>20 would want to study for a potential safety or</p> <p>21 regulatory impact that had outflowed to the market.</p> <p>22 <b>Q. Got it.</b></p> <p>23 <b>Is there a special group that deals with</b></p> <p>24 <b>vital issues?</b></p> <p>25 A. Yes. The -- specifically FQA, the field</p>	<p style="text-align: right;">Page 135</p> <p>1 <b>Q. He gives an example. My understanding is,</b></p> <p>2 <b>Ford as an example, and I believe Toyota</b></p> <p>3 <b>manufacturing, takes the lead with an initial</b></p> <p>4 <b>recommendation that is reviewed by safety.</b></p> <p>5 <b>This makes sense, since it is likely 80</b></p> <p>6 <b>percent of the problem. Design plays a small</b></p> <p>7 <b>but -- part except for concerns they generated. GM</b></p> <p>8 <b>structure and Honda, I believe, are more like</b></p> <p>9 <b>Nissan.</b></p> <p>10 <b>Does this help you remember what this e-mail</b></p> <p>11 <b>was about or what this issue was about?</b></p> <p>12 A. I think the -- the entirety of this e-mail</p> <p>13 was, John was on the verge of retirement, and we</p> <p>14 were trying to assess kind of man- -- manpower needs</p> <p>15 for his -- his role, when he left. So he served</p> <p>16 kind of two roles. He was, as I mentioned, kind of</p> <p>17 liaison for design. So when an issue came into our</p> <p>18 process, we could get the right team involved.</p> <p>19 And secondly, he was a statistical analysis</p> <p>20 guy. So he was -- he was showing kind of his</p> <p>21 work -- his workload assessment to a degree before</p> <p>22 he -- before he moved on.</p> <p>23 <b>Q. And he's comparing what Nissan does with</b></p> <p>24 <b>respect to, I guess, identifying and assessing vital</b></p> <p>25 <b>issues as compared to other manufacturers such as</b></p>
<p style="text-align: right;">Page 134</p> <p>1 quality assurance team, there's this group called</p> <p>2 vital issues that deals with the decision-making</p> <p>3 process for recalls and service campaigns.</p> <p>4 <b>Q. Okay. So within FQA is a vital issue group?</b></p> <p>5 A. There's a section, correct.</p> <p>6 <b>Q. Is it called the vital issues group?</b></p> <p>7 A. It's called the vital issues group, yes.</p> <p>8 <b>Q. Under one, he's talking about the split by</b></p> <p>9 <b>generator of VI concerns and the group assigned.</b></p> <p>10 <b>These are items which most required assessments</b></p> <p>11 <b>during the year of the analysis. Surprisingly, the</b></p> <p>12 <b>plant initiated terms (sic) are much less than I</b></p> <p>13 <b>would have expected PQE and PQA potentially control</b></p> <p>14 <b>over 80 percent.</b></p> <p>15 <b>Do you see that?</b></p> <p>16 A. I do, yes.</p> <p>17 <b>Q. What is PQE?</b></p> <p>18 A. PQE is Parts Quality Engineering.</p> <p>19 <b>Q. And PQA?</b></p> <p>20 A. Is Product Quality Assurance.</p> <p>21 <b>Q. And he said the split is likely similar for</b></p> <p>22 <b>all OEMs; however, some have different ways of</b></p> <p>23 <b>handling it.</b></p> <p>24 <b>Do you see that?</b></p> <p>25 A. I do, yes.</p>	<p style="text-align: right;">Page 136</p> <p>1 <b>Ford and Toyota and GM and Honda?</b></p> <p>2 A. Yeah. It seems like this is his opinion or</p> <p>3 comment regarding the -- these processes.</p> <p>4 <b>Q. He also in 2, at the bottom of the page, is</b></p> <p>5 <b>talking about likelihood of detection.</b></p> <p>6 A. Uh-huh.</p> <p>7 <b>Q. Yeah.</b></p> <p>8 A. Yes.</p> <p>9 <b>Q. And I gather that this is the likelihood of</b></p> <p>10 <b>detection of some sort of incident or vital issue;</b></p> <p>11 <b>is that right?</b></p> <p>12 A. In general -- speaking in general terms here.</p> <p>13 <b>Q. Right. And so he's talking about early</b></p> <p>14 <b>failures versus random failures versus durability</b></p> <p>15 <b>failures, right?</b></p> <p>16 A. Correct.</p> <p>17 <b>Q. And there are durability modes. He</b></p> <p>18 <b>references a durability mode of 1.7 to 2.5 are the</b></p> <p>19 <b>most common based on my experience.</b></p> <p>20 <b>Do you see that?</b></p> <p>21 A. I do.</p> <p>22 <b>Q. So what's a durability 1 versus a durability</b></p> <p>23 <b>2 or a durability 3?</b></p> <p>24 A. I'm not sure I understand the context of his</p> <p>25 comment here.</p>

34 (Pages 133 to 136)

<p>Page 137</p> <p>1 Q. Do you, in general, have an understanding of</p> <p>2 durability 2 or durability 3?</p> <p>3 A. No.</p> <p>4 Q. Okay. Well, let's look at the attachments.</p> <p>5 I think you might have a better understanding of</p> <p>6 some of --</p> <p>7 A. Okay.</p> <p>8 Q. -- this stuff.</p> <p>9 We're looking at the PowerPoint now that's</p> <p>10 entitled, Vital Issue Process and Safety</p> <p>11 Assessment.</p> <p>12 A. Uh-huh.</p> <p>13 Q. Do you see that?</p> <p>14 On there is John Smith and also John</p> <p>15 Cutting? Do you remember the name John</p> <p>16 Cutting?</p> <p>17 A. Yeah. So John Cutting took over the liaison</p> <p>18 role for John Smith when he retired.</p> <p>19 Q. And this PowerPoint is dated September 3,</p> <p>20 2015; is that right?</p> <p>21 A. That's correct.</p> <p>22 Q. All right. If you turn the page, it doesn't</p> <p>23 look as if these have page numbers on them, but it</p> <p>24 says, VI process flow.</p> <p>25 A. Yes --</p>	<p>Page 139</p> <p>1 where appropriate.</p> <p>2 Q. Are they part of NNA?</p> <p>3 A. They're part of NNA, yes.</p> <p>4 Q. Okay. FQA we've talked a little bit about.</p> <p>5 A. Yeah.</p> <p>6 Q. Now, are you part of FQA?</p> <p>7 A. I'm part of FQA, correct.</p> <p>8 Q. Okay. And I don't know that we actually</p> <p>9 talked that much about your specific role. What's</p> <p>10 your title?</p> <p>11 A. My current title is senior manager of FQA in</p> <p>12 charge of recall implementation.</p> <p>13 Q. How long have you had that position?</p> <p>14 A. Since June of 2017.</p> <p>15 Q. What did you do before that?</p> <p>16 A. I was in the FQA final issues group, starting</p> <p>17 in October of 2010. I was an engineer at that point</p> <p>18 until March of, I think 200 -- no, I'm sorry. June</p> <p>19 of 2014, when I became the manager of that group.</p> <p>20 Q. And you were the manager from June of 2014</p> <p>21 until --</p> <p>22 A. Until June of '17.</p> <p>23 Q. What did you do before FQ- -- before October</p> <p>24 of 2010?</p> <p>25 A. From 2008 to 2010, I was a member of FQI,</p>
<p>Page 138</p> <p>1 Q. You see that?</p> <p>2 A. -- I do.</p> <p>3 Q. If you could review this and let me know if</p> <p>4 this is an accurate representation of the vital</p> <p>5 issue investigation process.</p> <p>6 A. (Witness reviews document.)</p> <p>7 Yes, I would say this is.</p> <p>8 Q. All right. So we talked a little bit about</p> <p>9 the plants. We already know what that is. Does</p> <p>10 plants refer to the actual plants or is this</p> <p>11 referring to Nissan North America, the region?</p> <p>12 A. Actual plants.</p> <p>13 Q. Okay. NTCNA, we've already talked about.</p> <p>14 And I think you said, it is also sort of a</p> <p>15 subsidiary of NNA; is that right?</p> <p>16 A. Not NTCNA. They would be a subsidiary of</p> <p>17 NTC, which is in Japan.</p> <p>18 Q. Okay. FQI, have we talked about FQI?</p> <p>19 A. That's Field Quality Investigations.</p> <p>20 Q. So what do they -- what group is that? Where</p> <p>21 are they? What's their structure? Where do they --</p> <p>22 A. They're located in the same building as FQA,</p> <p>23 in Smyrna, Tennessee, Field Quality Center. They</p> <p>24 are basically responsible for fielding the market</p> <p>25 claims, summarizing the concerns, and following up</p>	<p>Page 140</p> <p>1 Field Quality Investigations.</p> <p>2 Q. Okay. And what was your responsibility</p> <p>3 there?</p> <p>4 A. I had model line responsibilities, so during</p> <p>5 my time, I had kind of the -- the scope was to</p> <p>6 understand the complete warranty picture for</p> <p>7 specific models. I was over the Sentra, the</p> <p>8 Frontier, and the Xterra.</p> <p>9 Q. Okay. Not the Altima or the Maxima?</p> <p>10 A. Not the Altima or the Maxima.</p> <p>11 Q. Where were you before 2008?</p> <p>12 A. From 2002 to 2008, I worked at the Smyrna</p> <p>13 plant as a process engineer at trim and chassis.</p> <p>14 Q. And did you say trim?</p> <p>15 A. Trim and chassis.</p> <p>16 Q. And you said trim --</p> <p>17 A. Trim and chassis.</p> <p>18 Q. Okay.</p> <p>19 A. Yeah.</p> <p>20 Q. Did you work on specific models?</p> <p>21 A. In that role I had various models.</p> <p>22 Q. Did you work on the Altima, L31?</p> <p>23 A. I did work on the Altima, yes.</p> <p>24 Q. And what was your role with respect to the</p> <p>25 L31?</p>

35 (Pages 137 to 140)

Page 141	Page 143
<p>1 A. For L31, I had some interior -- for a very</p> <p>2 small amount of time, I had some interior</p> <p>3 installation responsibilities -- panels, and then I</p> <p>4 quickly moved over to the L32 Altima development</p> <p>5 program in '04.</p> <p>6 <b>Q. Any responsibility or role or experience with</b></p> <p>7 <b>the floor pans?</b></p> <p>8 A. No.</p> <p>9 <b>Q. Either for L31 or the L32?</b></p> <p>10 A. Neither.</p> <p>11 <b>Q. Okay. Did you have any responsibility</b></p> <p>12 <b>between 2002 and 2008 for the A34 Altima -- Maxima?</b></p> <p>13 A. Maxima. I would have had some trim -- trim</p> <p>14 responsibilities on the interior of the vehicle for</p> <p>15 installation.</p> <p>16 <b>Q. Any responsibilities with respect to the</b></p> <p>17 <b>floor pan?</b></p> <p>18 A. No.</p> <p>19 <b>Q. Any responsibilities in any capacities with</b></p> <p>20 <b>respect to floor pans for any Nissan models?</b></p> <p>21 A. No.</p> <p>22 <b>Q. Any responsibility or experience with respect</b></p> <p>23 <b>to rust issues throughout your tenure at Nissan</b></p> <p>24 <b>other than obviously this A- -- L31 and A34?</b></p> <p>25 A. Just the -- only -- only the L31, A34</p>	<p>1 correct.</p> <p>2 <b>Q. And then when there's a box in orange, that's</b></p> <p>3 <b>something technical compliance is doing?</b></p> <p>4 A. Correct.</p> <p>5 <b>Q. And then you see it's in that sort of burnt</b></p> <p>6 <b>orange, it's -- it's something NML is doing, because</b></p> <p>7 <b>it says NML coach here.</b></p> <p>8 A. That's correct, yes.</p> <p>9 <b>Q. With respect to this L31, A43 rust issue, who</b></p> <p>10 <b>were the NML representatives with respect to this</b></p> <p>11 <b>issue?</b></p> <p>12 A. I don't remember specific folks, but I can</p> <p>13 tell you the department would have been CQO.</p> <p>14 <b>Q. What's that? I have seen that in the</b></p> <p>15 <b>documents, CQO, what is that?</b></p> <p>16 A. They're -- they're essentially the parent</p> <p>17 group to FQA, so they're the global FQA department.</p> <p>18 <b>Q. Do you know what CQO stands for?</b></p> <p>19 A. It's just a -- a -- a moniker. So this -- I</p> <p>20 know the C stands for the quality department. So</p> <p>21 there's CC0, CB0, so CQO is FQA.</p> <p>22 <b>Q. Okay.</b></p> <p>23 A. It's not like an initial -- it's not like an</p> <p>24 initial, like, FQA is Field Quality Assurance. It's</p> <p>25 just a designation.</p>
Page 142	Page 144
<p>1 investigation from the FQA perspective.</p> <p>2 <b>Q. Where were you before 2002?</b></p> <p>3 A. In school.</p> <p>4 <b>Q. Okay. All right. So FQI and FQA, we've</b></p> <p>5 <b>talked about. Then there's a column, product</b></p> <p>6 <b>safety?</b></p> <p>7 A. Yes.</p> <p>8 <b>Q. All right. Tell me what that represents.</b></p> <p>9 A. So product safety is a -- actually, the</p> <p>10 father -- a father group of FQA overall, so it</p> <p>11 houses FQA and some other groups such as technical</p> <p>12 compliance as listed below.</p> <p>13 <b>Q. Okay. And product safety is part of NNA as</b></p> <p>14 <b>well?</b></p> <p>15 A. It is, yes.</p> <p>16 <b>Q. Technical compliance, what is that?</b></p> <p>17 A. They are kind of our liaison to the agencies,</p> <p>18 so NHTSA and then the emission agencies, like, the</p> <p>19 EPA and ARB.</p> <p>20 <b>Q. And then MNL is also listed under that.</b></p> <p>21 A. Yeah. MNL is -- that's Japan, yeah.</p> <p>22 <b>Q. Okay. And so in this far column when it's --</b></p> <p>23 <b>when a box is in yellow, issue identified in audit,</b></p> <p>24 <b>that's something product safety is doing?</b></p> <p>25 A. That's something product safety would do,</p>	<p>1 <b>Q. Okay. So if we look back at the FQI column,</b></p> <p>2 <b>so there's an issue -- it looks -- it says the issue</b></p> <p>3 <b>is inden- -- there's an issue identified in the</b></p> <p>4 <b>field, and it then goes on to determine ranking?</b></p> <p>5 A. Correct.</p> <p>6 <b>Q. What does that mean "ranking"?</b></p> <p>7 A. So FQI would determine if an issue is either</p> <p>8 an important rank, which is basically a safety or</p> <p>9 regulatory related or potential safety regulatory</p> <p>10 related concern that could also rank it as kind of</p> <p>11 normal rank or standard rank.</p> <p>12 <b>Q. Are those the only two ranks?</b></p> <p>13 A. To my knowledge there's -- well, there's --</p> <p>14 I'm sorry. There's -- there's four that I know of.</p> <p>15 There's I. There's H -- that's high, which is</p> <p>16 customer satisfaction, but something they deem of</p> <p>17 high importance. And then M and S are medium or</p> <p>18 standard and I think they're almost interchangeable.</p> <p>19 <b>Q. So I is what?</b></p> <p>20 A. Important, yeah.</p> <p>21 <b>Q. H is high?</b></p> <p>22 A. High, yeah.</p> <p>23 <b>Q. M is medium?</b></p> <p>24 A. Medium and S is standard and I think the M --</p> <p>25 M and the S are essentially interchangeable.</p>

36 (Pages 141 to 144)

<p style="text-align: right;">Page 145</p> <p>1 <b>Q. Okay. What was this issue that we're dealing</b> 2 <b>with in this case ranked?</b> 3 A. I -- I don't know, because I don't know. 4 <b>Q. Okay.</b> 5 <b>(TALKING SIMULTANEOUSLY.)</b> 6 A. We can go back and -- 7 <b>Q. I'm sure we'll --</b> 8 A. -- we can find out. Yeah. We can go -- 9 <b>Q. Is that -- and so is that ranking referred to</b> 10 <b>as the I rank?</b> 11 A. The I rank, yes. 12 <b>Q. Okay. And then it says, Issue IPIR, what's</b> 13 <b>that?</b> 14 A. So that is a countermeasure action request 15 for I rank issues. So we talked about CAR earlier. 16 <b>Q. Uh-huh.</b> 17 A. CAR for countermeasure action request is a -- 18 kind of the normal or S rank request. IPIR is 19 tracked when it's an I rank. 20 <b>Q. Did you say what IPIR stands for?</b> 21 A. It's eno- -- Let's see, Important 22 Preliminaries Information Report. 23 <b>Q. Okay. And then somebody at FQI creates that?</b> 24 A. Somebody at FQI creates -- correct. 25 <b>Q. All right. So once we gather all of the</b></p>	<p style="text-align: right;">Page 147</p> <p>1 make a decision on that. If there was a decision to 2 propose proactive action such as a recall or service 3 campaign, it would then enter the TC meeting or 4 technical committee meeting to propose to the 5 chairman -- the chair deciders, I should say. 6 <b>Q. Is the TC deciders, the chairman, are -- is</b> 7 <b>it always the same person for all of these campaigns</b> 8 <b>or --</b> 9 A. And I apologize, not the chairman. It's not 10 the chairman. The TC meeting for NNA is the chief 11 safety officer who is the director of product safety 12 for NNA. He has a -- he has a counterpart in Japan 13 at essentially the same level. 14 <b>Q. And they work together on these questions?</b> 15 A. When needed, yes. 16 <b>Q. When it says technical committee, is it</b> 17 <b>actually a committee?</b> 18 A. It's -- the committee essentially is FQA or 19 CQ0 and the chairman, or excuse me the chairs of 20 each department. 21 <b>Q. I'm sorry. And which departments are those?</b> 22 A. So FQA are product safety. 23 <b>Q. Okay.</b> 24 A. Chief safety officer, and the -- his 25 equivalent in Japan.</p>
<p style="text-align: right;">Page 146</p> <p>1 <b>information plans, NTCNA, FQI, then we go to the FQA</b> 2 <b>review; is that right?</b> 3 A. Generally, yes. 4 <b>Q. How would -- if I'm -- if I'm misstating it,</b> 5 <b>please let me know.</b> 6 A. Yes. FQA reviews -- essentially the flowchart 7 shows issues can come in in multiple ways to FQA. 8 It can come from the plant for an outflow of a 9 concern. It can come through NTCNA for something 10 they found in a design, or it can come directly from 11 the FQI team for a field issue. 12 <b>Q. Okay. And then there's a dotted red sort of</b> 13 <b>arrow circle thing identified as the TM, slash, TC</b> 14 <b>process. Tell me what that is.</b> 15 A. That's the technical meeting, technical 16 committee process. And that's Nissan's global 17 process for determining or deciding on a safety 18 recall or service campaign. 19 <b>Q. Now, we saw the TM summary in Exhibit 8.</b> 20 A. Correct. 21 <b>Q. What's the difference between TM and TC?</b> 22 A. TM is a recommendation level meeting, so 23 it's -- it's at a senior manager level, where the 24 vital issue team would present an issue and 25 recommend an action. The senior manager would then</p>	<p style="text-align: right;">Page 148</p> <p>1 <b>Q. What's the IG meeting?</b> 2 A. That's an information gathering meeting. 3 <b>Q. And then if you look at the next slide, I</b> 4 <b>guess, it talks a little bit more about each of</b> 5 <b>these.</b> 6 A. Correct. 7 <b>Q. Is this an accurate representation -- you</b> 8 <b>don't have to go through and read it all, but if</b> 9 <b>you're telling me this is an accurate description of</b> 10 <b>what happens at each level, we can probably move</b> 11 <b>on --</b> 12 A. (Witness reviews document.) 13 <b>Q. -- to some specific questions.</b> 14 A. This generally represents the -- a summary of 15 the -- each step. 16 <b>Q. If you look at row -- I guess, pre TM -- pre</b> 17 <b>technical meeting --</b> 18 A. Uh-huh. 19 <b>Q. -- if you look under the prepared column, it</b> 20 <b>says, Clean dates. What does that mean?</b> 21 A. I interpret that to mean the scope of said 22 issue was -- is -- is -- is clear, the range of the 23 vehicles affected. 24 <b>Q. And the box underneath it, it says, Analysis</b> 25 <b>including testing, CAE.</b></p>

37 (Pages 145 to 148)

<p style="text-align: right;">Page 149</p> <p>1 A. Computer-aided engineering.</p> <p>2 <b>Q. Okay. Now, if you look at the next page, the</b></p> <p>3 <b>NTCNA safety assessment, if you tell me that's</b></p> <p>4 <b>generally correct, we don't need to spend much time</b></p> <p>5 <b>on this.</b></p> <p>6 A. (Witness reviews document.)</p> <p>7 Yes, general correct process flow.</p> <p>8 <b>Q. Who was in charge of the safety -- safety</b></p> <p>9 <b>assessment with respect to the rust issue we are</b></p> <p>10 <b>investigating in this case?</b></p> <p>11 A. Rob Blanchard, I believe, was the director at</p> <p>12 the time.</p> <p>13 <b>Q. Okay. Let's look at the next page, El</b></p> <p>14 <b>process, RACI.</b></p> <p>15 A. Yes.</p> <p>16 <b>Q. Those RACI, is that -- is that what</b></p> <p>17 <b>corresponds to the RACI at the bottom?</b></p> <p>18 A. Yeah, it's an acronym for RACI.</p> <p>19 <b>Q. Okay. And when it says, consult, for</b></p> <p>20 <b>example, if you look at pre -- or, I guess, notify</b></p> <p>21 <b>Q -- FQA stage. Notify FQA of potential VI issue.</b></p> <p>22 <b>There's a C there, right?</b></p> <p>23 A. That's right.</p> <p>24 <b>Q. Does that mean FQA is consulted or FQA needs</b></p> <p>25 <b>to do the consulting?</b></p>	<p style="text-align: right;">Page 151</p> <p>1 <b>NTCNA design director and his assignees.</b></p> <p>2 <b>Do you see that?</b></p> <p>3 A. I do, yes, correct.</p> <p>4 <b>Q. Do you know who the relevant folks were,</b></p> <p>5 <b>specifically, the names of the people, with respect</b></p> <p>6 <b>to this L31, A34 rust issue?</b></p> <p>7 A. The two I've -- I've mentioned already are</p> <p>8 the ones that I recollect, Rob Blanchard and</p> <p>9 John Latimer.</p> <p>10 <b>Q. Okay. All right. Is everything else on this</b></p> <p>11 <b>page generally correct? I guess I should say, is</b></p> <p>12 <b>there anything on this page that you think is not</b></p> <p>13 <b>correct?</b></p> <p>14 A. Let me finish reading here. (Respite.)</p> <p>15 Yeah, I don't see any -- everything looks</p> <p>16 okay.</p> <p>17 <b>Q. Okay. Just if you could look at the next</b></p> <p>18 <b>page. And the next page, just read the rest of this</b></p> <p>19 <b>PowerPoint sli -- presentation, to see if there's</b></p> <p>20 <b>anything else that needs correction.</b></p> <p>21 A. (Witness reviews document.)</p> <p>22 Part 1 is okay. Part 2 is generally okay,</p> <p>23 also.</p> <p>24 <b>Q. Okay. Let's look at the other attachments</b></p> <p>25 <b>here, specifically, the page with Bates Number 3625</b></p>
<p style="text-align: right;">Page 150</p> <p>1 A. No, we're consulted with. So for example if</p> <p>2 FQI were to identify a potential issue, they would</p> <p>3 consult with FQA to determine if it needs to be</p> <p>4 brought into the TMTZ process.</p> <p>5 <b>Q. Why are there red Cs?</b></p> <p>6 A. I don't know.</p> <p>7 <b>Q. Okay. Same thing with I for inform. For</b></p> <p>8 <b>example at the IG level, set IG level meeting. It</b></p> <p>9 <b>means that all these different divisions, FQI, PGA,</b></p> <p>10 <b>et cetera, need to be -- need to be informed of</b></p> <p>11 <b>what's happening?</b></p> <p>12 A. They would be informed if they were related</p> <p>13 to the issue, yes.</p> <p>14 <b>Q. Okay. Same thing on the next slide, titled,</b></p> <p>15 <b>Attendance requirements for TNTC style meeting.</b></p> <p>16 <b>This seems fairly self-explanatory.</b></p> <p>17 A. Uh-huh.</p> <p>18 <b>Q. If you look at the safety assessment slide,</b></p> <p>19 <b>it's a couple slides down.</b></p> <p>20 A. Okay.</p> <p>21 <b>Q. The first bullet point says, The request for</b></p> <p>22 <b>a safety assessment is generated in a pre TM by FQA</b></p> <p>23 <b>in conjunction with product safety in legal. The</b></p> <p>24 <b>completion of a safety assessment is the</b></p> <p>25 <b>responsibility of design and the chairman is the</b></p>	<p style="text-align: right;">Page 152</p> <p>1 <b>entitled, The likelihood of Concern Detection and</b></p> <p>2 <b>MIS, period. Do you see that?</b></p> <p>3 A. Yes.</p> <p>4 <b>Q. Is MIS, months in service?</b></p> <p>5 A. That's correct, yes.</p> <p>6 <b>Q. All right. Have you had a chance to review</b></p> <p>7 <b>this document, sir?</b></p> <p>8 A. This is the first time I -- that I remember</p> <p>9 seeing it, at least in -- I didn't see this in prep,</p> <p>10 so... (Respite.)</p> <p>11 <b>Q. But this is talking about how quickly</b></p> <p>12 <b>concerns are detected after cars are out on the</b></p> <p>13 <b>road, right?</b></p> <p>14 A. Yes. It looks like this is a statistical</p> <p>15 analysis of when a concern may appear in the market.</p> <p>16 <b>Q. And if you look at durability 3, for example,</b></p> <p>17 <b>does that mean that the probability of finding a</b></p> <p>18 <b>concern is 0 in the first three months; 1 percent in</b></p> <p>19 <b>four to six months; and then 2 percent in seven to</b></p> <p>20 <b>ten months?</b></p> <p>21 A. I would have to study this further to</p> <p>22 definitively answer.</p> <p>23 <b>Q. Okay. If you look at the next page, there's</b></p> <p>24 <b>also a reference to -- I think that's pronounced</b></p> <p>25 <b>Weibull probability density function?</b></p>

38 (Pages 149 to 152)

<p style="text-align: right;">Page 153</p> <p>1 A. Weibull.</p> <p>2 <b>Q. Weibull, oh, yeah, I guess that's right,</b></p> <p>3 <b>Weibull. Do you know what that is?</b></p> <p>4 A. I do.</p> <p>5 <b>Q. What is that?</b></p> <p>6 A. The Weibull is a statistical analysis tool</p> <p>7 that we use for -- to predict incident rates for</p> <p>8 concerns in the market.</p> <p>9 <b>Q. Is that an internal calculation or process?</b></p> <p>10 A. I know -- I don't know -- I can't speak to</p> <p>11 other OEMs, what they use, but it's a -- inside</p> <p>12 Nissan, we do use Weibull analysis.</p> <p>13 <b>Q. And would John Smith's group be in charge of</b></p> <p>14 <b>produc- -- conducting that analysis?</b></p> <p>15 A. In some cases FQA has done Weibull analysis</p> <p>16 as well.</p> <p>17 <b>Q. If you looked at the page number with 3628,</b></p> <p>18 <b>it says, NTCNA -- the second paragraph down under</b></p> <p>19 <b>background says, NTCNA, do you see that?</b></p> <p>20 A. Yes.</p> <p>21 <b>Q. NTCNA directors and staff prioritize this</b></p> <p>22 <b>responsibility and execute these projects with</b></p> <p>23 <b>existing manpower, which puts significant pressure</b></p> <p>24 <b>on new as well as maintenance programs.</b></p> <p>25 <b>Do you see that?</b></p>	<p style="text-align: right;">Page 155</p> <p>1 issues handling to the first paragraph.</p> <p>2 <b>Q. And anything that's vital in nature is</b></p> <p>3 <b>something that's potentially a safety or regulatory,</b></p> <p>4 <b>that's what you said, right?</b></p> <p>5 A. That's correct.</p> <p>6 <b>Q. Okay. And in order to do that -- in order</b></p> <p>7 <b>for the NTCNA directors to do that, prioritize</b></p> <p>8 <b>potential safety and/or regulatory issues, it takes</b></p> <p>9 <b>away manpower for new and existing maintenance</b></p> <p>10 <b>programs?</b></p> <p>11 A. That's John's statement -- John's assessment.</p> <p>12 <b>Q. Any reason to dispute that?</b></p> <p>13 A. I can't really speak to NTCNA and their</p> <p>14 manpower situation at the time this was written</p> <p>15 so...</p> <p>16 <b>Q. So you have no reason to agree or disagree?</b></p> <p>17 A. I'm -- I'm -- I'm neutral.</p> <p>18 MR. LAW: Yeah. I'll object that I -- I</p> <p>19 think that we're getting outside of the scope of his</p> <p>20 designation.</p> <p>21 BY MR. CALABRO:</p> <p>22 <b>Q. But you would trust John to say something</b></p> <p>23 <b>accurate in a document like this, right?</b></p> <p>24 MR. LAW: Same objections.</p> <p>25 THE WITNESS: Yeah. I'm -- I'm neutral</p>
<p style="text-align: right;">Page 154</p> <p>1 A. I do.</p> <p>2 <b>Q. True statement?</b></p> <p>3 A. What John is saying here is, the vital</p> <p>4 issues, priorities, are -- are number 1, so they</p> <p>5 take -- they take time away potentially from other</p> <p>6 design-related programs.</p> <p>7 <b>Q. The problem is, there's only so many people,</b></p> <p>8 <b>and so if they have to deal with issues, it -- it --</b></p> <p>9 <b>you know, other things suffer, essentially is what</b></p> <p>10 <b>he's saying -- other responsibilities they have, can</b></p> <p>11 <b>suffer?</b></p> <p>12 MR. LAW: Well, I object. The question</p> <p>13 is argumentative.</p> <p>14 THE WITNESS: This is his -- his</p> <p>15 comment.</p> <p>16 BY MR. CALABRO:</p> <p>17 <b>Q. Well, do you agree it --</b></p> <p>18 A. I -- the part I agree with that I can speak</p> <p>19 to is, the safety-related issues become -- are the</p> <p>20 number 1 priority for his group.</p> <p>21 <b>Q. And where does it say that's the number 1</b></p> <p>22 <b>priority?</b></p> <p>23 A. It says, NTCNA directors and staff prioritize</p> <p>24 those responsibilities and execute these projects</p> <p>25 with existing manpower. And he's referring to vital</p>	<p style="text-align: right;">Page 156</p> <p>1 on this comment.</p> <p>2 BY MR. CALABRO:</p> <p>3 <b>Q. But, I mean, you know John Smith, right?</b></p> <p>4 A. I -- I do know John Smith.</p> <p>5 <b>Q. Is it your experience that he puts things</b></p> <p>6 <b>that are inaccurate in documents like this?</b></p> <p>7 MR. LAW: Same objection. The question</p> <p>8 is argumentative.</p> <p>9 THE WITNESS: I haven't known John to</p> <p>10 not be truthful. In regards to this statement,</p> <p>11 though, I'm -- I'm neutral.</p> <p>12 BY MR. CALABRO:</p> <p>13 <b>Q. Turn the page to page ending in Bates Number</b></p> <p>14 <b>3629. At the top under the title it says, Where the</b></p> <p>15 <b>cost of resolving plant supplier concerns, paren,</b></p> <p>16 <b>PQE -- PQA responsible, end paren, is 80 percent or</b></p> <p>17 <b>four times higher than design initiated concerns.</b></p> <p>18 <b>Do you see that?</b></p> <p>19 A. I do.</p> <p>20 <b>Q. So in other words, it's much more expensive</b></p> <p>21 <b>if it's a manufacturing issue than if it's a design</b></p> <p>22 <b>issue?</b></p> <p>23 MR. LAW: I object. This -- I think</p> <p>24 we've -- we've dealt with the structure and the</p> <p>25 investigation structure which was reasonably within</p>

39 (Pages 153 to 156)



<p style="text-align: right;">Page 157</p> <p>1 the -- the scope of how it related to the</p> <p>2 investigation of this concern. And now we are</p> <p>3 getting into just the entire process. So I'm going</p> <p>4 to object to this line of questioning being outside</p> <p>5 the scope of his designation.</p> <p>6 THE WITNESS: So John's study is related</p> <p>7 to the man hours needed by the vital issues group at</p> <p>8 NTCNA, by issue. His quote is here, what he's</p> <p>9 saying is, 80 percent of the issues are supplier</p> <p>10 related, thus needing more man hours to study.</p> <p>11 BY MR. CALABRO:</p> <p>12 <b>Q. Okay. If you look down the page to 3630,</b></p> <p>13 <b>there's a para- -- it is a spreadsheet or a chart</b></p> <p>14 <b>here titled, Data. And if you will -- just put your</b></p> <p>15 <b>finger on this page 3630, because it's got the</b></p> <p>16 <b>headings at the top, and then turn also to 33,</b></p> <p>17 <b>halfway through, is the L31, A34 floor pan issue.</b></p> <p>18 A. Correct.</p> <p>19 <b>Q. So the question I have for you is, if you</b></p> <p>20 <b>look at what these are -- if you look at, for</b></p> <p>21 <b>example, the cell right next to where it says floor</b></p> <p>22 <b>rusted below seat, previous concern. It's a</b></p> <p>23 <b>followup. There's a number that says, 42215, and</b></p> <p>24 <b>that's labeled start.</b></p> <p>25 A. Yes.</p>	<p style="text-align: right;">Page 159</p> <p>1 coordination for this specific issue.</p> <p>2 <b>Q. And then the next one is, I guess, monthly</b></p> <p>3 <b>non adjusted support; is that right?</b></p> <p>4 A. That's right.</p> <p>5 <b>Q. And then adjusted by curve. Do you see that?</b></p> <p>6 A. I do.</p> <p>7 <b>Q. Any reference note -- any idea what that</b></p> <p>8 <b>reference is?</b></p> <p>9 A. I don't know.</p> <p>10 <b>Q. Then he's got a dollar figure there, \$13,237,</b></p> <p>11 <b>which is falling under the column design incurred</b></p> <p>12 <b>expense.</b></p> <p>13 <b>Do you see that?</b></p> <p>14 A. I see that, yes.</p> <p>15 <b>Q. Do you know whether that's just a straight</b></p> <p>16 <b>dollar figure or if that's a multiple or</b></p> <p>17 <b>something --</b></p> <p>18 A. I don't know. It appears that they've</p> <p>19 multiplied the adjusted curve by some sort of rate</p> <p>20 to try to summarize the amount of time needed per</p> <p>21 issue, so...</p> <p>22 <b>Q. All right. So if this is \$13,237.00, these</b></p> <p>23 <b>ones that we were looking at, is that more likely a</b></p> <p>24 <b>week, a month, a day?</b></p> <p>25 MR. LAW: Object to the extent it calls</p>
<p style="text-align: right;">Page 158</p> <p>1 <b>Q. And then 42235 end -- finish, sorry --</b></p> <p>2 A. Yes.</p> <p>3 <b>Q. And then 0.7, do you have any idea what these</b></p> <p>4 <b>numbers are representing?</b></p> <p>5 A. Those appear to be dates that are in a</p> <p>6 different format -- in a number format.</p> <p>7 <b>Q. Okay.</b></p> <p>8 A. And the calcu- -- the 0.7 is -- looks like a</p> <p>9 calculation of months.</p> <p>10 <b>Q. How many months -- they -- they spent looking</b></p> <p>11 <b>at that issue?</b></p> <p>12 A. How many months they took -- as far as</p> <p>13 man-hour months to -- to produce the required</p> <p>14 documents for the safety assessment.</p> <p>15 <b>Q. Okay. And then the next number is 1. It</b></p> <p>16 <b>says, Design access -- access required. What does</b></p> <p>17 <b>that number represent?</b></p> <p>18 A. Well, without context, it's -- it is a --</p> <p>19 it's one -- either one month or one hour assigned to</p> <p>20 the design assessment need.</p> <p>21 <b>Q. Skip over -- there's another 1. I think</b></p> <p>22 <b>that's under VI cord -- coordinate -- coordination,</b></p> <p>23 <b>I guess.</b></p> <p>24 A. Violation -- violations coordination. So</p> <p>25 another factor of time needed for vital issues</p>	<p style="text-align: right;">Page 160</p> <p>1 for speculation.</p> <p>2 THE WITNESS: I -- I can't answer that.</p> <p>3 I don't know.</p> <p>4 BY MR. CALABRO:</p> <p>5 <b>Q. But this -- but what this is representing or</b></p> <p>6 <b>purporting to represent is how much time vital</b></p> <p>7 <b>issues spent on this particular floor pan issue?</b></p> <p>8 A. Yeah. How much time NTCNA vital issues team</p> <p>9 that John was a part of spent analyzing the issue.</p> <p>10 <b>Q. Okay. I think we can put that one down.</b></p> <p>11 MR. CALABRO: We'll mark as Exhibit 11,</p> <p>12 document with Bates Number NNA4214 through 21.</p> <p>13 (WHEREUPON, the above-mentioned</p> <p>14 document was marked as Exhibit Number 11.)</p> <p>15 BY MR. CALABRO:</p> <p>16 <b>Q. I'm not going to spend a whole lot of time on</b></p> <p>17 <b>this. I just have a couple of questions, when you</b></p> <p>18 <b>are ready.</b></p> <p>19 A. (Witness reviews document.)</p> <p>20 Okay.</p> <p>21 <b>Q. Okay. Do you see that the cover e-mail is an</b></p> <p>22 <b>e-mail from Basil -- oh, there he is, Basil</b></p> <p>23 <b>Timonschuk.</b></p> <p>24 A. Uh-huh.</p> <p>25 <b>Q. To Deanna Morrow and various folks including</b></p>

40 (Pages 157 to 160)

<p style="text-align: right;">Page 161</p> <p>1 yourself, July 2011; is that right?</p> <p>2 A. I see it, yeah.</p> <p>3 <b>Q. Any reason to doubt that you received the</b></p> <p>4 <b>e-mail and attachment in the form provided here as</b></p> <p>5 <b>Exhibit 11?</b></p> <p>6 A. No reason to doubt.</p> <p>7 <b>Q. All right. In the subject line it says, PSE</b></p> <p>8 <b>weekly status report, July 22, 2011, final TU.</b></p> <p>9 <b>Do you see that?</b></p> <p>10 A. I do.</p> <p>11 <b>Q. PSE is what?</b></p> <p>12 A. Product Safety Environmental.</p> <p>13 <b>Q. Is that a group within NNA?</b></p> <p>14 A. Yeah. It's product safety -- product safety</p> <p>15 group --</p> <p>16 <b>Q. Okay.</b></p> <p>17 A. -- that FQA is under.</p> <p>18 <b>Q. And TU at the end of final, do you know what</b></p> <p>19 <b>that means?</b></p> <p>20 A. I believe that Tara Underwood maybe made an</p> <p>21 edit. That's probably what that represents.</p> <p>22 <b>Q. All right. FAR investigation, what's FAR?</b></p> <p>23 A. I don't recognize that acronym.</p> <p>24 <b>Q. All right. Well, if you'll turn to the</b></p> <p>25 <b>spreadsheet that's at 4215.</b></p>	<p style="text-align: right;">Page 163</p> <p>1 <b>2015?</b></p> <p>2 A. Yes.</p> <p>3 <b>Q. Any reason to doubt you received this e-mail</b></p> <p>4 <b>and its attachments as provided here in Exhibit 12?</b></p> <p>5 A. No reason to doubt.</p> <p>6 <b>Q. All right. Could you (inaudible) Jessica</b></p> <p>7 <b>Sears for me?</b></p> <p>8 A. So Jessica Sears is a data analyst in FQA.</p> <p>9 <b>Q. Does she report to you?</b></p> <p>10 A. She did at the time of this e-mail. She no</p> <p>11 longer reports to me.</p> <p>12 <b>Q. Who do you report to?</b></p> <p>13 A. I report to Selim Hammoud, director.</p> <p>14 <b>Q. Okay. Subject line is Pre-VI; is that right?</b></p> <p>15 A. That's correct.</p> <p>16 <b>Q. All right. So this purports to be doc- --</b></p> <p>17 <b>well, if you'll tell me what these attachments are</b></p> <p>18 <b>to the e-mail.</b></p> <p>19 A. This first one is -- in the yellow here, this</p> <p>20 is essentially a process flow for the Pre-VI</p> <p>21 process, where FQA reviews all open I-rank and G</p> <p>22 CARS request from FQI and gets status updates from</p> <p>23 the team, from the FQI team, to understand the</p> <p>24 current field status for each issue.</p> <p>25 <b>Q. And does that accurately reflect the process?</b></p>
<p style="text-align: right;">Page 162</p> <p>1 A. Okay.</p> <p>2 <b>Q. If you look at this chart, it's really just</b></p> <p>3 <b>showing the status of where things are in the vital</b></p> <p>4 <b>issue process; is that right?</b></p> <p>5 A. That's correct.</p> <p>6 <b>Q. So if you look at the far left, TC, would be</b></p> <p>7 <b>technical committee, right?</b></p> <p>8 A. Right.</p> <p>9 <b>Q. And IG, is that information gathering?</b></p> <p>10 A. Information gathering, correct.</p> <p>11 <b>Q. So this one is showing that as of, you know,</b></p> <p>12 <b>July 2011, the L31 Nissan Altima floor pan rust</b></p> <p>13 <b>issue is in information gathering stage?</b></p> <p>14 A. That's correct.</p> <p>15 <b>Q. Okay. Put that aside.</b></p> <p>16 MR. CALABRO: We'll mark as Exhibit 12</p> <p>17 documents with Bates number 4423 through 24.</p> <p>18 (WHEREUPON, the above-mentioned</p> <p>19 document was marked as Exhibit Number 12.)</p> <p>20 BY MR. CALABRO:</p> <p>21 <b>Q. Let me know when you are ready, sir.</b></p> <p>22 A. (Witness reviews document.)</p> <p>23 Okay.</p> <p>24 <b>Q. Okay. Recognize this Exhibit 12 as the</b></p> <p>25 <b>e-mail from Jessica Sears to you dated February 16,</b></p>	<p style="text-align: right;">Page 164</p> <p>1 A. It does at the -- at this time, yes.</p> <p>2 <b>Q. Has it changed since?</b></p> <p>3 A. It has changed. A new department was created</p> <p>4 that covers this now.</p> <p>5 <b>Q. What's the new department?</b></p> <p>6 A. They're called Pre-VI. They're inside FQA.</p> <p>7 It's just a separate group.</p> <p>8 <b>Q. Okay. Now, was this a template document that</b></p> <p>9 <b>we're looking at here or is this a specific --</b></p> <p>10 <b>dealing with a specific issue?</b></p> <p>11 A. This is just a generic process flow.</p> <p>12 <b>Q. Okay. It says the person in charge is</b></p> <p>13 <b>Jessica Sears; is that right?</b></p> <p>14 A. She's respon- -- she was responsible at the</p> <p>15 time for the coordination of the process, correct.</p> <p>16 <b>Q. Okay. And you're the responsible manager?</b></p> <p>17 A. I was at the time, yes.</p> <p>18 <b>Q. Did you oversee all Pre-VI investigations?</b></p> <p>19 A. We oversee the review process for the I-rank</p> <p>20 investigations that were ongoing with FQI.</p> <p>21 <b>Q. For all of them?</b></p> <p>22 A. For all of them.</p> <p>23 <b>Q. And does the next page, with this, I guess,</b></p> <p>24 <b>chart --</b></p> <p>25 A. Yes.</p>

41 (Pages 161 to 164)

<p>Page 165</p> <p>1 Q. -- table, also accurately reflect the</p> <p>2 concerns and processes?</p> <p>3 A. It does. This is just a pictorial from the</p> <p>4 slide that we just reviewed.</p> <p>5 Q. Okay. Now, this chart that is labeled at the</p> <p>6 top left, count of subject and days open category,</p> <p>7 do you see that? I guess you don't have that.</p> <p>8 A. I do.</p> <p>9 (TALKING SIMULTANEOUSLY.)</p> <p>10 Q. Forty-four --</p> <p>11 A. I do.</p> <p>12 Q. -- and 44 --</p> <p>13 A. It's behind this.</p> <p>14 Q. It's 4424, yeah.</p> <p>15 A. Yes.</p> <p>16 Q. So what does this represent? It says, closed</p> <p>17 pivot table, days open category.</p> <p>18 A. This represents the number of days that an</p> <p>19 I-rank report and request for countermeasure was</p> <p>20 opened in the system.</p> <p>21 Q. So let's look at 6, for example at the</p> <p>22 bottom.</p> <p>23 A. Okay.</p> <p>24 Q. Right. This is the third, sort of, bar.</p> <p>25 What does the 6 represent? Is that June of 2014?</p>	<p>Page 167</p> <p>1 Q. Okay.</p> <p>2 A. So it's an FQI responsibility, but FQA</p> <p>3 oversees the process to ensure there's no -- no</p> <p>4 concerns.</p> <p>5 Q. And is there a goal by which the closure</p> <p>6 should occur, certain numbers of days?</p> <p>7 A. No, there's no target.</p> <p>8 Q. Okay. And a closure can be anything from, we</p> <p>9 are going to do no action, or we're going to do a</p> <p>10 service campaign or a recall --</p> <p>11 A. Correct.</p> <p>12 Q. Okay. But if they pass it on, for example,</p> <p>13 IQ to TC, just because it's now at TC, that's not a</p> <p>14 closure? It's not closed until there's a final</p> <p>15 decision on that particular incident?</p> <p>16 A. Final decision and then inputted in the</p> <p>17 system and closed.</p> <p>18 MR. CALABRO: Okay. Let's do Exhibit</p> <p>19 13. This is hard to see, but should be Bates Number</p> <p>20 NNA4843 through 852.</p> <p>21 (WHEREUPON, the above-mentioned</p> <p>22 document was marked as Exhibit Number 13.)</p> <p>23 BY MR. CALABRO:</p> <p>24 Q. Let me know when you are ready, sir.</p> <p>25 A. (Witness reviews document.)</p>
<p>Page 166</p> <p>1 A. So this represents the closure month. So,</p> <p>2 for example, in June of 2014, there was one I-rank</p> <p>3 report that was closed in June. There were seven --</p> <p>4 that had more than 500 days open.</p> <p>5 Q. Got it.</p> <p>6 A. There were seven that had 200 and 499, et.</p> <p>7 cetera.</p> <p>8 Q. So why is this information tracked?</p> <p>9 A. This information is tracked so we can follow</p> <p>10 up and ensure that the process for the investigation</p> <p>11 is moving forward.</p> <p>12 Q. Is there a goal by which incidents should be</p> <p>13 closed?</p> <p>14 A. There's no -- there's no standard target for</p> <p>15 I-rank issues.</p> <p>16 Q. And that's what you mean by -- when you say,</p> <p>17 I-rank issues, you mean assigning a rank, is -- is</p> <p>18 that the same thing as closing it on this -- on</p> <p>19 this -- on this chart?</p> <p>20 A. No. So these -- these are tracking open</p> <p>21 I-rank PIRs. So we talked about preliminary</p> <p>22 investigation requests that are opened to some</p> <p>23 group -- manufacturing, design. This is tracking</p> <p>24 from the point that was issued to that group, to the</p> <p>25 point there was a reply and a closure through FQI.</p>	<p>Page 168</p> <p>1 Okay, I'm ready.</p> <p>2 Q. All right. Do you recognize this document,</p> <p>3 sir?</p> <p>4 A. Yes.</p> <p>5 Q. And what is it?</p> <p>6 A. This is an e-mail from Fumiaki Tsuchiya to --</p> <p>7 at the time, the FQA leadership of Bobby</p> <p>8 Yakushi and Dale Weiss regarding the current status</p> <p>9 for open items in the TMTC process.</p> <p>10 Q. If you look at the subject line -- I'm sorry,</p> <p>11 not the subject line, the attachments. It says --</p> <p>12 the attachment line right here at the top.</p> <p>13 A. Uh-huh.</p> <p>14 Q. Well, I guess I should ask a finished</p> <p>15 question. Any reason to doubt that you received</p> <p>16 this e-mail with the form attached here with the</p> <p>17 attachments as Exhibit 18 [sic]?</p> <p>18 A. No -- no reason to doubt.</p> <p>19 Q. Other than obviously redactions?</p> <p>20 A. Right.</p> <p>21 Q. But if you'll look at that attachment line,</p> <p>22 it says, FOA vital issue fiscal year 2011, KPI</p> <p>23 Tracking. What's that, KPI?</p> <p>24 A. KPI is Keys Performance Indicator.</p> <p>25 Q. So what is this tracking?</p>

42 (Pages 165 to 168)

<p style="text-align: right;">Page 169</p> <p>1 A. So for this specific item, we were tracking</p> <p>2 our performance from when an issue is opened up in</p> <p>3 the TMTC process to the point that has some</p> <p>4 resolution or closure.</p> <p>5 <b>Q. If you look at this, who is Fumiaki?</b></p> <p>6 A. Fumiaki Tsuchiya, at this time, was my</p> <p>7 manager in vital issues.</p> <p>8 <b>Q. And was he in the United States?</b></p> <p>9 A. He was in the United States, yes.</p> <p>10 <b>Q. Okay. He writes, Please find attached file.</b></p> <p>11 <b>This is our team's KPI result on June 2011. Thanks</b></p> <p>12 <b>to engineer's best effort and top management.</b></p> <p>13 <b>So what does that refer to "target"?</b></p> <p>14 A. So if you look here, for example, on the</p> <p>15 summary, fresh item.</p> <p>16 <b>Q. Uh-huh.</b></p> <p>17 A. I cannot read that because it's blacked out,</p> <p>18 but there's a C and a T.</p> <p>19 <b>Q. Okay.</b></p> <p>20 A. C would be commitment and T would be target,</p> <p>21 and those are days open.</p> <p>22 <b>Q. So are -- is the target here to have</b></p> <p>23 <b>something opened in less than 38 days?</b></p> <p>24 A. The target is on average to have an -- an</p> <p>25 item that enters the TMTC process resolved, closed,</p>	<p style="text-align: right;">Page 171</p> <p>1 <b>Q. I was just trying to save some time, but</b></p> <p>2 <b>yeah. I was trying chan- -- cha- -- sav- -- save</b></p> <p>3 <b>some time, but let's just --</b></p> <p>4 MR. CALABRO: We'll mark as Exhibit 14</p> <p>5 NNA4809 through 11.</p> <p>6 (WHEREUPON, the above-mentioned</p> <p>7 document was marked as Exhibit Number 14.)</p> <p>8 BY MR. CALABRO:</p> <p>9 <b>Q. Let me know when you have had a chance to see</b></p> <p>10 <b>that.</b></p> <p>11 A. (Witness reviews document.)</p> <p>12 Okay, I'm ready.</p> <p>13 <b>Q. All right. If you will look -- I see that</b></p> <p>14 <b>you are not on this, so I'm not going to ask you</b></p> <p>15 <b>whether you recognize it, but if you look on the</b></p> <p>16 <b>page with the Bates Number 4809, the front page, it</b></p> <p>17 <b>looks like there's an e-mail from -- is it, Naoki?</b></p> <p>18 A. Yuzuriha.</p> <p>19 <b>Q. Yuzuriha?</b></p> <p>20 A. Uh-huh.</p> <p>21 <b>Q. Subject, Nakamura EVP and Na- -- Naoki VP</b></p> <p>22 <b>Visit.</b></p> <p>23 <b>Do you see that?</b></p> <p>24 A. I do.</p> <p>25 <b>Q. All right. The body of that e-mail, in the</b></p>
<p style="text-align: right;">Page 170</p> <p>1 or approved to next step, within 38 days -- yes, at</p> <p>2 this time.</p> <p>3 <b>Q. And when it says, legend item in paragraph 2,</b></p> <p>4 <b>right underneath that, what is legend item?</b></p> <p>5 A. So legend item in his term is an item that</p> <p>6 was carried over from a previous physical year.</p> <p>7 <b>Q. And so the quicker these things are closed</b></p> <p>8 <b>the better for this matrix?</b></p> <p>9 A. Our target was, yes, to close to the target</p> <p>10 number, yes.</p> <p>11 <b>Q. And was compensation at all affected by</b></p> <p>12 <b>whether you were on target or not?</b></p> <p>13 A. No.</p> <p>14 <b>Q. But it is obviously something that was viewed</b></p> <p>15 <b>favorably if things were closed quickly?</b></p> <p>16 A. It was FQA's goal to -- to process any</p> <p>17 potential VI issues as quickly as possible to get to</p> <p>18 the best resolution.</p> <p>19 <b>Q. And there's an acronym, CVT, do you know what</b></p> <p>20 <b>that is?</b></p> <p>21 A. Yeah. Tren- -- tren- -- continuously</p> <p>22 variable transmission.</p> <p>23 <b>Q. Any other use -- well, let me just show you</b></p> <p>24 <b>the document. I'll make --</b></p> <p>25 A. CVT.</p>	<p style="text-align: right;">Page 172</p> <p>1 <b>middle, there's a paragraph that says, I</b></p> <p>2 <b>explained -- I explained to him about</b></p> <p>3 <b>pre-authorization activity, that we continue to</b></p> <p>4 <b>monitor CVT carefully and NNA just starts to</b></p> <p>5 <b>change -- charge back SULEV unnecessary exhaust</b></p> <p>6 <b>replacement cost to dealers.</b></p> <p>7 <b>Do you see that?</b></p> <p>8 A. I do.</p> <p>9 <b>Q. Do you know what that references?</b></p> <p>10 MR. LAW: I object; outside the scope of</p> <p>11 his designation.</p> <p>12 THE WITNESS: These represent campaigns</p> <p>13 unrelated to the -- the floor pan issue.</p> <p>14 BY MR. CALABRO:</p> <p>15 <b>Q. If you turn the page, there is another</b></p> <p>16 <b>e-mail. It says, TCA director and OCQEs. What's</b></p> <p>17 <b>that?</b></p> <p>18 A. Those are overseas chief quality engineers.</p> <p>19 <b>Q. Okay. What were you going to say? Did I cut</b></p> <p>20 <b>you off?</b></p> <p>21 A. In -- in NNA.</p> <p>22 <b>Q. Okay.</b></p> <p>23 A. Yeah.</p> <p>24 MR. CALABRO: Okay. This would be a</p> <p>25 good place to stop if you want to do lunch now or we</p>

43 (Pages 169 to 172)

<p style="text-align: right;">Page 173</p> <p>1 can keep going longer if you --</p> <p>2 MR. LAW: Well, let's go off the record.</p> <p>3 MR. CALABRO: Go off the record --</p> <p>4 MR. LAW: We're going -- we're going to</p> <p>5 stop one way or the other, the question is do you</p> <p>6 want to push through and get out --</p> <p>7 MR. CALABRO: As soon as possible, yeah.</p> <p>8 MR. LAW: Like next couple hours --</p> <p>9 hour?</p> <p>10 MR. CALABRO: Well, I have to</p> <p>11 authenticate a bunch of docs. It's not going to be</p> <p>12 within an hour or two.</p> <p>13 MR. LAW: Well, we had a discussion</p> <p>14 about authentication --</p> <p>15 THE VIDEOGRAPHER: We are off the record</p> <p>16 at 12:44 p.m.</p> <p>17 (Lunch break.)</p> <p>18 THE VIDEOGRAPHER: We're on the record</p> <p>19 at 1:33 p.m.</p> <p>20 MR. CALABRO: Sir, I'm going to mark as</p> <p>21 Exhibit 15 a document, Bates Numbered NNA2509</p> <p>22 through 18.</p> <p>23 (WHEREUPON, the above-mentioned</p> <p>24 document was marked as Exhibit Number 15.)</p> <p>25 THE WITNESS: Okay.</p>	<p style="text-align: right;">Page 175</p> <p>1 A. I see that.</p> <p>2 Q. Fair to say that this is probably from 2006,</p> <p>3 then?</p> <p>4 A. Should be from around that time I would</p> <p>5 guess, yes.</p> <p>6 Q. Now, when -- when are these -- you said this</p> <p>7 was a technical report?</p> <p>8 A. This looks like it comes from a technical</p> <p>9 report, yes.</p> <p>10 Q. But this is not the complete technical</p> <p>11 report?</p> <p>12 A. No. This looks like a summary of what the</p> <p>13 information would be in a technical report.</p> <p>14 Q. Is the technical report in a database?</p> <p>15 A. It's in the G CAR system that we talked about</p> <p>16 earlier.</p> <p>17 Q. Okay. And so it's not usually a paper</p> <p>18 document? It's something that's in the database?</p> <p>19 A. Correct. It can be printed, but it's -- it's</p> <p>20 an electric- -- electronic document.</p> <p>21 Q. So this is almost like an export of</p> <p>22 information that's in that database?</p> <p>23 A. Right. Like it -- there's attachments often</p> <p>24 in those summaries like this, pictures, in that</p> <p>25 document.</p>
<p style="text-align: right;">Page 174</p> <p>1 BY MR. CALABRO:</p> <p>2 Q. Do you recognize this document, sir?</p> <p>3 A. (Witness reviews document.)</p> <p>4 Yes.</p> <p>5 Q. An e-mail from Richard Dumbleton to you dated</p> <p>6 August of 2011?</p> <p>7 A. Yes.</p> <p>8 Q. Any reason to doubt that you received this</p> <p>9 e-mail and attachment as it's presented as</p> <p>10 Exhibit 15?</p> <p>11 A. No reason to doubt.</p> <p>12 Q. Do you recognize the attachment, sir?</p> <p>13 A. Yes, it looks familiar. It looks like a</p> <p>14 technical report information from a TSM.</p> <p>15 Q. All right. Now, are these dated? Is there a</p> <p>16 date on this report anywhere, typically?</p> <p>17 A. These are typically dated in the G CAR</p> <p>18 system.</p> <p>19 Q. Okay.</p> <p>20 A. So I don't know if on this printout maybe it</p> <p>21 doesn't show that.</p> <p>22 Q. If you look down at the details of the very</p> <p>23 last line it says, Dealer will -- should have</p> <p>24 completed the repair by June 16th, 2006. Do you see</p> <p>25 that?</p>	<p style="text-align: right;">Page 176</p> <p>1 Q. Okay. Set that aside.</p> <p>2 MR. CALABRO: We'll mark as Exhibit 16</p> <p>3 documents with Bates Number 4075.</p> <p>4 (WHEREUPON, the above-mentioned</p> <p>5 document was marked as Exhibit Number 16.)</p> <p>6 BY MR. CALABRO:</p> <p>7 Q. Before we look at this, who inputs the</p> <p>8 information into the G CARS system.</p> <p>9 A. So typically it would be the TS- -- for that</p> <p>10 type of report that we just looked at, it would have</p> <p>11 been input directly by the technical service</p> <p>12 manager.</p> <p>13 Q. Is that somebody at the dealer or --</p> <p>14 A. They are field staff around the country.</p> <p>15 Q. Okay.</p> <p>16 A. That work for field quality investigation.</p> <p>17 Q. Okay, got it.</p> <p>18 Okay. Exhibit 16 will be NNA4075 through</p> <p>19 77. All right, sir. This is an e-mail</p> <p>20 from Mr. Tsuchiya?</p> <p>21 A. Tsuchiya.</p> <p>22 Q. Tsuchiya?</p> <p>23 A. Uh-huh.</p> <p>24 Q. To Mr. Akashi?</p> <p>25 A. Yes.</p>

44 (Pages 173 to 176)

<p style="text-align: right;">Page 177</p> <p>1 Q. All right. Now, Mr. Tsuchiya is your boss at 2 this time; is that right? 3 A. At this time, he's the manager -- my manager 4 in the vital issues team, at FQA. 5 Q. And who is Mr. Akashi? 6 A. Akashi, from my memory is a -- was in body 7 design at NTCNA. 8 Q. All right. Any reason to doubt that you 9 received this e-mail in the form attached here as 10 Exhibit 16? 11 A. No. 12 Q. Okay. 13 A. No reason. 14 Q. Okay. I just want to look at Number 4. 15 Number 1 underneath there says, Plant investigates 16 clear cutoff date about this issue, paren, SOP will 17 be cut-in. Do you know what that means? 18 A. Yeah. He's referring that as a next step to 19 confirm when the issue was, either countermeasured 20 or in the production. 21 Q. And then it says, cut-in, that's like? 22 A. Start date. 23 Q. The start, okay? 24 A. Cut-out would be end date. 25 Q. And it says, 2, NNA TCS will conduct in-use</p>	<p style="text-align: right;">Page 179</p> <p>1 customer. Some customers will do their own 2 maintenance, so they're going to be underneath the 3 vehicle, others may not. 4 BY MR. CALABRO: 5 Q. I mean, does Nissan design cars expecting for 6 people to look underneath their car on a regular 7 basis to see if there's rust? 8 MR. LAW: Same objection; vague; outside 9 the scope. 10 THE WITNESS: I'm not sure how to even 11 answer that, sorry. Can you rephrase it? 12 BY MR. CALABRO: 13 Q. Well, I mean, I'm just trying to understand 14 if it's the expectation -- if it's Nissan's 15 expectation that people, when they buy a car -- 16 everyday regular people, are regularly going to be 17 checking underneath their cars -- 18 MR. LAW: Same objection. It's vague. 19 It's overboard. It calls for speculation. It's 20 outside the scope. 21 BY MR. CALABRO: 22 Q. -- for rust? 23 A. Yeah. There's no -- there's no standard that 24 Nissan has that expects customers to do floor 25 inspections on their vehicles.</p>
<p style="text-align: right;">Page 178</p> <p>1 vehicle check to understand real incident rate of 2 this issue. Paren, we assume customer could not -- 3 I assume, be aware this -- of this issue until floor 4 pan hole, paren. 5 A. Yeah. So he's saying as a second step for 6 our investigation, we will -- TCS will conduct an -- 7 in use vehicle check to confirm the market status. 8 Q. Okay. Because it couldn't rely just on -- on 9 customers' reports, because they likely won't be a 10 part of this until there's an actual hole in the 11 floor pan, right? 12 A. That was his statement, yes. 13 Q. Any reason to dispute that? 14 MR. LAW: Object; calls for speculation. 15 THE WITNESS: The customer could be 16 aware of this concern in other ways if they've 17 looked under the vehicle and saw rust. Not 18 necessarily a need for a hole to appear. 19 BY MR. CALABRO: 20 Q. All right. And does Nissan expect its 21 customers to look underneath the cars for rust? 22 MR. LAW: I'll object; it's outside the 23 scope of his designation and calls for the witness 24 to speculate. 25 THE WITNESS: I'm -- depends on the</p>	<p style="text-align: right;">Page 180</p> <p>1 MR. CALABRO: Mark this next one as 2 Exhibit 6- -- 17, Bates Number NNA4096 through -- 3 well, I'm not quite sure, 4097. No, that's not 4 right. Sorry. Bates Number is NNA4096 through 5 4192; that's Exhibit 17. 6 (WHEREUPON, the above-mentioned 7 document was marked as Exhibit Number 17.) 8 BY MR. CALABRO: 9 Q. Let me know when you are ready, sir. 10 A. (Witness reviews document.) 11 Okay. 12 Q. All right? 13 A. I'm ready. 14 Q. Sir, do you recognize Exhibit 17 as an e-mail 15 from Derek Latta to you dated January 2012? 16 A. Yes. 17 Q. Any reason to doubt that you received this 18 e-mail and attachment as provided here as 19 Exhibit 17? 20 A. No reason to doubt. 21 Q. All right. Now, we talked a little bit about 22 consumer affairs files reports? 23 A. Yes. 24 Q. Is that what this attachment is? 25 A. So this attachment -- well, looks to</p>

45 (Pages 177 to 180)

<p>Page 181</p> <p>1 include -- let me look at the title page here. This</p> <p>2 includes detailed consumer affair files, tech line</p> <p>3 files, ve- -- vehicle owner questionnaire files.</p> <p>4 <b>Q. Now, is this an export from Nissan's</b></p> <p>5 <b>database?</b></p> <p>6 A. This is an export from the database, correct.</p> <p>7 <b>Q. That's housed at Nissan?</b></p> <p>8 A. That's housed at Nissan.</p> <p>9 <b>Q. Okay. And so all of these -- the charts that</b></p> <p>10 <b>we see on 4098, that would be a Nissan document?</b></p> <p>11 A. This is a Nissan created document, correct.</p> <p>12 <b>Q. And then all of the substance that we see</b></p> <p>13 <b>throughout the rest of this attachment is housed at</b></p> <p>14 <b>Nissan system?</b></p> <p>15 A. Yes, that's correct.</p> <p>16 <b>Q. And is this the form and format that exports</b></p> <p>17 <b>from those systems typically are seen in a paper</b></p> <p>18 <b>format?</b></p> <p>19 A. These are typically in a PDF electronic</p> <p>20 format, but this is -- this is that file printed</p> <p>21 out, yes.</p> <p>22 <b>Q. Okay. All right. I guess, I should look at</b></p> <p>23 <b>these real quick. When we're looking at the</b></p> <p>24 <b>consumer affair files, so I think that starts at</b></p> <p>25 <b>Bates 107 -- 4107.</b></p>	<p>Page 183</p> <p>1 customer's information from who purchased and where</p> <p>2 the vehicle was purchased, yes.</p> <p>3 <b>Q. Okay. Does Nissan's system keep track of who</b></p> <p>4 <b>owns it after the original purchaser?</b></p> <p>5 A. Only if we're --</p> <p>6 MR. LAW: Well, hold on. I want to</p> <p>7 object that potentially we're asking the witness to</p> <p>8 speculate and we may not have laid a foundation for</p> <p>9 that.</p> <p>10 And I think it's also protectively -- I</p> <p>11 think it's outside of the scope of his designation.</p> <p>12 THE WITNESS: My understanding is, if we</p> <p>13 pick that information up at a later time, we will</p> <p>14 record it and house it, yes.</p> <p>15 BY MR. CALABRO:</p> <p>16 <b>Q. What are the ways in which Nissan picks up</b></p> <p>17 <b>that information at a later time?</b></p> <p>18 MR. LAW: Same objections.</p> <p>19 THE WITNESS: One would be when a</p> <p>20 customer comes into a dealer and provides it. One</p> <p>21 would be, customer calls into CA and provides it.</p> <p>22 BY MR. CALABRO:</p> <p>23 <b>Q. If a -- if a person purchases a -- purchases</b></p> <p>24 <b>a car used from a dealer, a Nissan dealer, is that</b></p> <p>25 <b>information reported to Nissan?</b></p>
<p>Page 182</p> <p>1 A. Okay.</p> <p>2 <b>Q. You'll see there's, like, a -- a header row</b></p> <p>3 <b>at the top.</b></p> <p>4 A. Right.</p> <p>5 <b>Q. The third one says, open DT?</b></p> <p>6 A. Open date.</p> <p>7 <b>Q. Okay. And so that represents what, that</b></p> <p>8 <b>date?</b></p> <p>9 A. That would be the date that the CA took the</p> <p>10 phone call.</p> <p>11 <b>Q. Okay.</b></p> <p>12 A. So for example the first one will be January</p> <p>13 8, 2007.</p> <p>14 <b>Q. All right. And then the manufacturing date</b></p> <p>15 <b>sort of like four columns over.</b></p> <p>16 A. Yes.</p> <p>17 <b>Q. Is that what that is?</b></p> <p>18 A. Yes.</p> <p>19 <b>Q. Is that something that's populated</b></p> <p>20 <b>automatically by Nissan's system once they -- once</b></p> <p>21 <b>they know the VIN number?</b></p> <p>22 A. I believe so, yes.</p> <p>23 <b>Q. And then does Nissan's system identifying VIN</b></p> <p>24 <b>number with individual people and dealers?</b></p> <p>25 A. So Nissan's system would have original</p>	<p>Page 184</p> <p>1 MR. LAW: Same ob- -- same objections.</p> <p>2 THE WITNESS: I'm not sure that I can</p> <p>3 answer that; I'm not sure.</p> <p>4 MR. CALABRO: Okay. All right. We'll</p> <p>5 go to the next one and mark as Exhibit 18, document</p> <p>6 with Bates Number NNA4238 through 52.</p> <p>7 (WHEREUPON, the above-mentioned</p> <p>8 document was marked as Exhibit Number 18.)</p> <p>9 THE WITNESS: Okay.</p> <p>10 BY MR. CALABRO:</p> <p>11 <b>Q. All right. You recognize this document as a</b></p> <p>12 <b>March 2012 e-mail from Mr. Tsuchiya to you and</b></p> <p>13 <b>various other folks dated -- well, I already said</b></p> <p>14 <b>March 2012?</b></p> <p>15 A. Yes, I do.</p> <p>16 <b>Q. Any reason to doubt that you received this</b></p> <p>17 <b>e-mail and attachment as provided here in</b></p> <p>18 <b>Exhibit 18?</b></p> <p>19 A. No reason to doubt.</p> <p>20 <b>Q. Okay. You'll see this e-mail is addressed to</b></p> <p>21 <b>various folks including somebody named Richard</b></p> <p>22 <b>Cairncross. Do you see that?</b></p> <p>23 A. I do, yes.</p> <p>24 <b>Q. Who is that?</b></p> <p>25 A. Richard Cairncross was the previous</p>

46 (Pages 181 to 184)

<p style="text-align: right;">Page 185</p> <p>1 implementation manager. Jamie Hunter was his 2 replacement. 3 <b>Q. And then Joe Murphy is also one of the</b> 4 <b>recipients. Who's he?</b> 5 A. Joe Murphy at the time was the Nissan Canada 6 representative for the vital issues process. 7 <b>Q. And also looks like Richard Lyles?</b> 8 A. Richard Lyles was the engineer in FQA at that 9 time. 10 <b>Q. Your old job?</b> 11 A. My old job. Well, we were toge -- to 12 clarify. We were both engineers in the group at 13 that time. 14 <b>Q. Oh, okay.</b> 15 A. Yeah. 16 <b>Q. Mr. Tsuchiya says that, This is the final</b> 17 <b>edition of the FQA presentation. Do you see that?</b> 18 A. I do see that, yes. 19 <b>Q. And is there any reason to doubt that this</b> 20 <b>is, in fact, the final presentation as of March 6,</b> 21 <b>2012 for this issue?</b> 22 A. I would say this is the final edition at 23 that -- at that time, yes. 24 <b>Q. And I think most of the substance we've</b> 25 <b>probably already covered. But I just want to</b></p>	<p style="text-align: right;">Page 187</p> <p>1 A. Pat -- it's Devost. He was the -- he was 2 the technical services manager that worked for 3 Jerry. I believe, he was in the Ohio area. 4 <b>Q. And then Jerry's job is what, Jerry Puetz?</b> 5 A. Jerry is the manager of the TSM group or at 6 this time was the manager of the TSM group 7 nationally. 8 <b>Q. Okay. So he was sort of above you?</b> 9 A. Well, he was in a different group. He was a 10 manager, but he was in FQI. 11 <b>Q. Okay.</b> 12 A. And his responsibility was for the technical 13 service managers that were stationed across the 14 United States. 15 <b>Q. Okay. So he writes here in his e-mail to</b> 16 <b>you, second sentence, I believe you will find that</b> 17 <b>most '07, '08 A34 vehicles will be in decent shape</b> 18 <b>and will probably rust out over time. Do you see</b> 19 <b>that?</b> 20 A. I see the statement. 21 <b>Q. All right. Do you have anything to dispute</b> 22 <b>what Mr. Devost -- Devost wrote here?</b> 23 MR. LAW: I'll object; lacks foundation; 24 calls for speculation. 25 THE WITNESS: Yeah, I don't -- I don't</p>
<p style="text-align: right;">Page 186</p> <p>1 <b>confirm. This is the state of -- of -- of the</b> 2 <b>issues as of or -- or at least at the</b> 3 <b>presentation --</b> 4 A. Yes. As of March 6, 2012, yes. 5 MR. CALABRO: All right. We'll mark as 6 Exhibit 19, document with Bates Number NNA2588 7 through 90. 8 (WHEREUPON, the above-mentioned 9 document was marked as Exhibit Number 19.) 10 THE WITNESS: Okay. 11 BY MR. CALABRO: 12 <b>Q. All right, sir. Do you recognize this as a</b> 13 <b>May 2012 e-mail from Mr. Patrick Devost to you and</b> 14 <b>Jerry Puetz?</b> 15 A. Puetz. 16 <b>Q. Puetz?</b> 17 A. Puetz. 18 <b>Q. Okay.</b> 19 A. Spelled -- spelled funny, you're right. 20 <b>Q. All right. All right. Any reason to doubt</b> 21 <b>that you received this e-mail and -- and the</b> 22 <b>attachment in the form here Exhibit 19?</b> 23 A. No reason to doubt. 24 <b>Q. Okay. Let's look at the very top e-mail, the</b> 25 <b>first page. Who is Mr. Devost?</b></p>	<p style="text-align: right;">Page 188</p> <p>1 understand what -- what exactly data he's basing 2 this statement on. 3 BY MR. CALABRO: 4 <b>Q. Okay. Do you have any facts that dispute</b> 5 <b>what he says?</b> 6 MR. LAW: Same objections. 7 BY MR. CALABRO: 8 <b>Q. And I'm asking you as the Nissan rep.</b> 9 MR. LAW: Yeah. And it's also outside 10 of the scope. 11 THE WITNESS: I think what -- as 12 we've -- we've talked over time, we would see -- we 13 saw a high incident rate, so older vehicles. So the 14 '07, '08s were the newest in this section, so I 15 believe that's probably why Pat made that statement 16 based on what he had seen in the market. 17 BY MR. CALABRO: 18 <b>Q. And I -- and I want to clarify. I'm not</b> 19 <b>asking you what you thought Mr. Devost was saying.</b> 20 <b>My question to you is, do you have any facts</b> 21 <b>to dispute what he said right here which is, that</b> 22 <b>most '07, '08 vehicles at this time will be in</b> 23 <b>decent shape, but you will pro -- but will probably</b> 24 <b>rust out over time.</b> 25 MR. LAW: I'll object. That misstates</p>

47 (Pages 185 to 188)



<p style="text-align: right;">Page 189</p> <p>1 the document.</p> <p>2 THE WITNESS: I think Pat's date is a</p> <p>3 presumption of probably, so based on that statement</p> <p>4 I can't -- I can't agree with that.</p> <p>5 BY MR. CALABRO:</p> <p>6 <b>Q. I'm not asking you to agree. I'm asking if</b></p> <p>7 <b>you have any facts that dispute what he says here?</b></p> <p>8 A. Well, the facts we had, I don't think it's on</p> <p>9 this document. I did a completed survey. From my</p> <p>10 memory the A34 up -- newer models were less affected</p> <p>11 than the older models.</p> <p>12 <b>Q. But do you have anything to dispute that they</b></p> <p>13 <b>will -- they will probably rust out over time?</b></p> <p>14 MR. LAW: Same objections.</p> <p>15 THE WITNESS: I would go back to the --</p> <p>16 the incident rates we saw in the -- in the salt</p> <p>17 states, like, we're reporting about 90 percent, so</p> <p>18 these vehicle were manufactured in that same suspect</p> <p>19 range.</p> <p>20 BY MR. CALABRO:</p> <p>21 <b>Q. So Nissan would expect 90 percent incident</b></p> <p>22 <b>rate for those models as well?</b></p> <p>23 A. Only in certain areas as we discussed.</p> <p>24 <b>Q. Right. Let me say it again --</b></p> <p>25 A. Potentially -- potentially in the salt areas.</p>	<p style="text-align: right;">Page 191</p> <p>1 We wanted 20 of each model year to complete the</p> <p>2 survey.</p> <p>3 <b>Q. So it was sort of a random selection of 20?</b></p> <p>4 A. It was a random selection, yes.</p> <p>5 <b>Q. To see how -- and the goal was to see how</b></p> <p>6 <b>prevalent the problem was?</b></p> <p>7 A. Yes. The goal was to form an incident rate</p> <p>8 for the issue.</p> <p>9 MR. CALABRO: Okay. All right. We'll</p> <p>10 mark as Exhibit 20 document with Bates Number NNA</p> <p>11 2482.</p> <p>12 (WHEREUPON, the above-mentioned</p> <p>13 document was marked as Exhibit Number 20.)</p> <p>14 BY MR. CALABRO:</p> <p>15 <b>Q. Let me know when you are ready, sir.</b></p> <p>16 A. (Witness reviews document.)</p> <p>17 Okay, I'm ready.</p> <p>18 <b>Q. All right. This is -- looks like an Outlook</b></p> <p>19 <b>appointment request or notification.</b></p> <p>20 <b>Let me ask you this, you guys use Outlook</b></p> <p>21 <b>at --</b></p> <p>22 A. We do?</p> <p>23 <b>Q. -- Nissan?</b></p> <p>24 A. Yeah.</p> <p>25 <b>Q. Does this look like an Outlook appointment</b></p>
<p style="text-align: right;">Page 190</p> <p>1 <b>Q. Nissan would expect about 90 percent incident</b></p> <p>2 <b>rate on the A34 late models in the salt state areas?</b></p> <p>3 A. If the incident rate we saw in the -- in the</p> <p>4 survey projected out over those vehicles, I would</p> <p>5 agree with that.</p> <p>6 <b>Q. And you don't have any reason -- any facts to</b></p> <p>7 <b>think that it would not project at that rate,</b></p> <p>8 <b>correct?</b></p> <p>9 A. Yeah. The only facts that I have are from</p> <p>10 the survey results and the warranty and CA</p> <p>11 information that we've been discussing.</p> <p>12 <b>Q. And those are consistent with a 90-percent</b></p> <p>13 <b>incident rate in the salt states?</b></p> <p>14 A. As an overall, yes.</p> <p>15 <b>Q. When you were doing these disputed field</b></p> <p>16 <b>investigations and -- and in particular deciding on</b></p> <p>17 <b>these vehicle surveys that we see referenced in this</b></p> <p>18 <b>e-mail, how were the vehicles chosen?</b></p> <p>19 A. You go to, I think, the last line here,</p> <p>20 criteria. So we chose specific states where we had</p> <p>21 a high volume of vehicles, and we had the potential</p> <p>22 for what we thought -- potential to find some of the</p> <p>23 rusted and perforated condition. So we chose</p> <p>24 Michigan, Ohio, and Illinois, and we had good TSM</p> <p>25 coverages there as well and we gave them a criteria.</p>	<p style="text-align: right;">Page 192</p> <p>1 calendar entry?</p> <p>2 A. It does, yes.</p> <p>3 <b>Q. All right. Any reason to doubt that you</b></p> <p>4 <b>received this from Mr. Tsuchiya in October of 2012</b></p> <p>5 <b>as it's shown here?</b></p> <p>6 A. No reason to doubt.</p> <p>7 <b>Q. All right. In the two lines is Carrie</b></p> <p>8 <b>Simpson?</b></p> <p>9 A. Yes.</p> <p>10 <b>Q. And I -- I assume that's a female?</b></p> <p>11 A. She -- she is yes. She was a previous FQA</p> <p>12 vital issue engineer as well.</p> <p>13 <b>Q. Okay. And then I think we talked about</b></p> <p>14 <b>everybody else except for Connie Day?</b></p> <p>15 A. She's an administrative assistant?</p> <p>16 <b>Q. Okay.</b></p> <p>17 A. To Brad, the VP at the time.</p> <p>18 <b>Q. Okay. It says here under the items in the</b></p> <p>19 <b>text, One, L31 and A34 floor pan rust follow-up and</b></p> <p>20 <b>decision of final action.</b></p> <p>21 <b>Do you know whether there was a decision of</b></p> <p>22 <b>final action that happened around November of 2012?</b></p> <p>23 A. Not to my knowledge, no.</p> <p>24 MR. CALABRO: Okay. We'll mark as</p> <p>25 Exhibit 21 document Bates Number NNA2988. So this</p>

48 (Pages 189 to 192)

<p>Page 193</p> <p>1 was produced as a native that we printed out. So</p> <p>2 there's only one Bates number associated with this.</p> <p>3 (WHEREUPON, the above-mentioned</p> <p>4 document was marked as Exhibit Number 21.)</p> <p>5 BY MR. CALABRO:</p> <p>6 <b>Q. Let me know when -- when you've had a chance</b></p> <p>7 <b>to review that.</b></p> <p>8 A. All right.</p> <p>9 <b>Q. Ready to proceed?</b></p> <p>10 A. Yes.</p> <p>11 <b>Q. All right. Now, do you recognize this</b></p> <p>12 <b>document, sir?</b></p> <p>13 A. I do.</p> <p>14 <b>Q. All right. What is this?</b></p> <p>15 A. This was a PowerPoint prepared for discussion</p> <p>16 with our VP and director regarding this issue.</p> <p>17 <b>Q. And this is the form it was in as of</b></p> <p>18 <b>November 5, 2012?</b></p> <p>19 A. That's correct.</p> <p>20 <b>Q. I'd like to turn to the -- probably the</b></p> <p>21 <b>second or third slide, the one that says, Field</b></p> <p>22 <b>survey results at the top.</b></p> <p>23 A. Okay.</p> <p>24 <b>Q. All right. Now, which is the result of a</b></p> <p>25 <b>second field survey that Nissan did; is that right?</b></p>	<p>Page 195</p> <p>1 <b>U.S. salt states?</b></p> <p>2 A. It was 83 here.</p> <p>3 <b>Q. 83 here.</b></p> <p>4 A. There's 90 at the previous survey.</p> <p>5 <b>Q. 93 in the U.S. salt states?</b></p> <p>6 A. That's -- that's -- that's correct, that's</p> <p>7 right.</p> <p>8 <b>Q. And the next page you've got the repair</b></p> <p>9 <b>method.</b></p> <p>10 A. Yes.</p> <p>11 <b>Q. It looks like as of this time there was an</b></p> <p>12 <b>option considered to perform some service on those</b></p> <p>13 <b>cars that are showing no rust; is that right?</b></p> <p>14 A. Yeah. The cost estimation shows a potential</p> <p>15 proposal --</p> <p>16 <b>Q. Right?</b></p> <p>17 A. -- for a campaign.</p> <p>18 <b>Q. And so there was a cost breakdown for those</b></p> <p>19 <b>cars with no rust, a cost breakdown for cars with</b></p> <p>20 <b>some rust on one side, and a cost breakdown for cars</b></p> <p>21 <b>with rust on both sides, right?</b></p> <p>22 A. Yes.</p> <p>23 <b>Q. But the idea was, is that there would still</b></p> <p>24 <b>be some action taken with respect to those cars with</b></p> <p>25 <b>no rust?</b></p>
<p>Page 194</p> <p>1 A. This is the additional survey that we go,</p> <p>2 yes, that's correct.</p> <p>3 <b>Q. Now, this shows rust in 83 percent of the</b></p> <p>4 <b>cars that it surveyed; is that right?</b></p> <p>5 A. It's actually 83.</p> <p>6 <b>Q. Sorry, 83 percent yes.</b></p> <p>7 A. We -- we recorded some surface or perforation</p> <p>8 rus- -- rust either in one or both sides on</p> <p>9 83 percent.</p> <p>10 <b>Q. Now, this is a number that reflects what's</b></p> <p>11 <b>currently in the cars, right?</b></p> <p>12 A. This was at the time of the survey, correct.</p> <p>13 <b>Q. So presumably as time passed -- past the time</b></p> <p>14 <b>of the survey, more cars would develop rust?</b></p> <p>15 A. There's that potential, yes.</p> <p>16 <b>Q. Okay. And, in fact, Nissan expected about a</b></p> <p>17 <b>90 percent incident rate in salt states, correct?</b></p> <p>18 A. That was the result of the initial survey,</p> <p>19 yes.</p> <p>20 <b>Q. And is that still Nissan's view that there's</b></p> <p>21 <b>about 90 percent incident rate of rust in the salt</b></p> <p>22 <b>states?</b></p> <p>23 A. The only data point I have is that survey to</p> <p>24 make that kind of calculation, so....</p> <p>25 <b>Q. And that survey actually said 93 percent in</b></p>	<p>Page 196</p> <p>1 A. This was a proposal presented to the vice --</p> <p>2 the vice president director of TCS at that time.</p> <p>3 <b>Q. And part of that proposal was an idea that</b></p> <p>4 <b>there should be some action taken with respect to</b></p> <p>5 <b>even those cars that don't have rust?</b></p> <p>6 A. Well, this was a potential idea, yes.</p> <p>7 <b>Q. But that was the idea though, right? That</b></p> <p>8 <b>was the proposal?</b></p> <p>9 A. It was -- it was a potential proposal,</p> <p>10 correct.</p> <p>11 <b>Q. Now, was that proposal shot down or overruled</b></p> <p>12 <b>or rejected?</b></p> <p>13 A. There was no agreement at this time on this.</p> <p>14 We were asked to confirm this new repair method with</p> <p>15 our global counterparts after this meeting.</p> <p>16 <b>Q. And did you do that?</b></p> <p>17 A. We provided the repair to them, yes.</p> <p>18 <b>Q. What does that mean, "you provided the</b></p> <p>19 <b>repair to them"?</b></p> <p>20 A. We provid- -- so we -- NTCNA and FQA came up</p> <p>21 with a repair procedure to use the plates. We</p> <p>22 provided that to our global cross functional team</p> <p>23 number two that is responsible for confirming field</p> <p>24 fixes.</p> <p>25 <b>Q. And so what division is that, that -- that</b></p>

49 (Pages 193 to 196)

Page 197	Page 199
<p>1 team?</p> <p>2 A. They're NML, a cross functional team.</p> <p>3 Q. Okay.</p> <p>4 A. So they have design and quality folks.</p> <p>5 Q. Are these vehicles, these L31s and A34s, I</p> <p>6 think we may have sort of gotten close to this</p> <p>7 question earlier, but I'm not sure that we answered</p> <p>8 it.</p> <p>9 Are they sold in the same form in any other</p> <p>10 country other than Canada and the United States?</p> <p>11 A. There were some vehicles --</p> <p>12 MR. LAW: Ob- -- ob- -- objection; just</p> <p>13 outside the scope.</p> <p>14 THE WITNESS: There were some other</p> <p>15 vehicles sold in other markets, yes.</p> <p>16 BY MR. CALABRO:</p> <p>17 Q. And was there an attempt made to see whether</p> <p>18 this problem was also manifest in those same</p> <p>19 vehicles in other countries?</p> <p>20 MR. LAW: Same objections.</p> <p>21 THE WITNESS: There was no investigation</p> <p>22 for other markets that I'm aware of.</p> <p>23 BY MR. CALABRO:</p> <p>24 Q. Okay. And so when you were saying you were</p> <p>25 coordinating this repair procedure with your global</p>	<p>1 what means, CFT --</p> <p>2 A. Yeah --</p> <p>3 Q. -- number 2?</p> <p>4 A. That's the group I was just talking about,</p> <p>5 cross functional team.</p> <p>6 Q. Oh, got it. And then it says RS appropriate</p> <p>7 field repair, RS being --</p> <p>8 A. RS typically is a -- it means recall service.</p> <p>9 Q. Okay. But a- -- appropriate field repair is</p> <p>10 the AFR thing we talked about, right?</p> <p>11 A. Correct, yeah.</p> <p>12 Q. Now, it then goes on and talks about</p> <p>13 something else, by Mono --</p> <p>14 A. Monozukuri.</p> <p>15 Q. Yeah. Who's that?</p> <p>16 A. It's typically considered the plant.</p> <p>17 Q. The plant?</p> <p>18 A. The plant functions.</p> <p>19 Q. And, I guess, what they're doing here is</p> <p>20 they're comparing the proposed campaign through -- a</p> <p>21 prior campaign on a different issue? Is that what</p> <p>22 we're looking at here on slides eight and nine?</p> <p>23 A. Right. They're con- -- yeah. There's a</p> <p>24 prev- -- another campaign that they're comparing</p> <p>25 this potential repair to.</p>
Page 198	Page 200
<p>1 counterpart, it wasn't that you were trying to see</p> <p>2 if it was working in other countries, you were</p> <p>3 just -- there's a Japanese counterpart that you</p> <p>4 needed to coordinate with?</p> <p>5 MR. LAW: Same objections.</p> <p>6 THE WITNESS: Yeah. We were</p> <p>7 coordinating with a team responsible for helping to</p> <p>8 validate field repair fixes.</p> <p>9 BY MR. CALABRO:</p> <p>10 Q. Okay. And how did they do that? Do you have</p> <p>11 any insight into that?</p> <p>12 A. Not a whole lot of insight, no.</p> <p>13 Q. Okay.</p> <p>14 A. I know they're the experts. They confirm to</p> <p>15 make sure the -- the field fix will work and make</p> <p>16 sure it's the most appropriate. So if there's any</p> <p>17 other ways to improve, they will review that.</p> <p>18 BY MR. CALABRO:</p> <p>19 Q. All right. If you look at this slide -- oh,</p> <p>20 there actually is a slide number sev- --</p> <p>21 A. Yes.</p> <p>22 Q. Number seven.</p> <p>23 A. Right.</p> <p>24 Q. It says, Further plan if agree some action.</p> <p>25 It says, To utilize CFT 2 -- number 2. Do you know</p>	<p>1 Q. Also dealing with the corrosion issue, I</p> <p>2 guess?</p> <p>3 A. That's correct. This was a -- a corrosion</p> <p>4 issue on another model.</p> <p>5 Q. If you look at slides A on the right, bottom</p> <p>6 right-hand corner, there's a reference to okay, you.</p> <p>7 A. Oku yen (phonetic).</p> <p>8 Q. And that's a lot of money, right? Sort of</p> <p>9 like --</p> <p>10 A. Correct.</p> <p>11 Q. -- a lot of yen.</p> <p>12 A. 1 million yen, I think is what it is, yeah.</p> <p>13 Q. Okay. All right.</p> <p>14 A. Yeah.</p> <p>15 Q. All right. We can keep -- I think a lot of</p> <p>16 this we've already looked at. Okay. You can set</p> <p>17 that aside.</p> <p>18 MR. CALABRO: We'll mark as Exhibit 22 a</p> <p>19 document with Bates Number NNA2633.</p> <p>20 (WHEREUPON, the above-mentioned</p> <p>21 document was marked as Exhibit Number 22.)</p> <p>22 BY MR. CALABRO:</p> <p>23 Q. And let me know when you're ready.</p> <p>24 A. I'm ready.</p> <p>25 Q. All right. This is an e-mail from</p>

50 (Pages 197 to 200)

<p style="text-align: right;">Page 201</p> <p>1 Mr. Hammoud to you dated July 2013; is that right,</p> <p>2 sir?</p> <p>3 A. That's correct, yeah.</p> <p>4 Q. Any reason to doubt that you received this</p> <p>5 e-mail in the form seen here as Exhibit 22?</p> <p>6 A. No reason to doubt.</p> <p>7 Q. All right. Now, at this time Mr. Hammoud was</p> <p>8 your boss; is that right?</p> <p>9 A. He was not at this time.</p> <p>10 Q. Okay.</p> <p>11 A. He was senior manager in product safety.</p> <p>12 Q. All right. He says -- and the subject line,</p> <p>13 first of all is, the L31, A34 floor pan rust issue.</p> <p>14 And he says, Steve -- in the top e-mail. I</p> <p>15 was looking at pictures of the CM. Does that mean</p> <p>16 countermeasure?</p> <p>17 A. Countermeasure.</p> <p>18 Q. And is that the repair procedure we're</p> <p>19 talking about?</p> <p>20 A. Yes. Based on his comments below.</p> <p>21 Q. Is this the first repair procedure where</p> <p>22 we're talking about the actual cut out and replace</p> <p>23 that was \$1,400 or is this the one where we're</p> <p>24 putting on the patch?</p> <p>25 A. This would be the patch based on the --</p>	<p style="text-align: right;">Page 203</p> <p>1 on this one. If you'll look at the pages Bates</p> <p>2 Numbered 2443 --</p> <p>3 A. Right.</p> <p>4 Q. -- they're talking about the floor pan, I</p> <p>5 guess, part. Mr. Hunter notes that -- and this is</p> <p>6 in the second paragraph of the text, the body of the</p> <p>7 para- -- of the e-mail.</p> <p>8 Ideally, this campaign would be launched by</p> <p>9 late October or early November, sooner if possible.</p> <p>10 Do you see that?</p> <p>11 A. I see that.</p> <p>12 Q. So this is in August of 2013. Do you know if</p> <p>13 there was a campaign launch by November of 2013 to</p> <p>14 get these parts out?</p> <p>15 A. There was no campaign launched in -- of</p> <p>16 any -- of any type for this issue.</p> <p>17 Q. Okay. Below that table, there's a line that</p> <p>18 says the floor pan part number for Altima and Maxima</p> <p>19 is the same and then it gives the number. So you</p> <p>20 see that?</p> <p>21 A. I do.</p> <p>22 Q. Is that referring to the replacement repair</p> <p>23 part or is that the original floor pan part or is --</p> <p>24 or are they one and the same?</p> <p>25 A. That would be the service part plate.</p>
<p style="text-align: right;">Page 202</p> <p>1 the -- the comment of a plate.</p> <p>2 Q. Yeah. He says, how thick is this plate? And</p> <p>3 has there been a discussion about potential effect</p> <p>4 on resale value. The CM struck me as obvious add on</p> <p>5 structure. Do you see that?</p> <p>6 A. I do.</p> <p>7 Q. All right. Was there, in fact, a discussion</p> <p>8 about potential effect on resale value?</p> <p>9 A. I don't specifically remember a discussion</p> <p>10 about potential resale.</p> <p>11 Q. Okay. He says, The CM struck me as obvious</p> <p>12 add on structure. What did you -- what did you</p> <p>13 understand that to mean?</p> <p>14 A. I'm not sure I understand where he -- just</p> <p>15 based on this e-mail, I'm not sure what he means</p> <p>16 there.</p> <p>17 MR. CALABRO: All right. We'll mark as</p> <p>18 Exhibit 23 document Bates Number NNA2441 through 45.</p> <p>19 (WHEREUPON, the above-mentioned</p> <p>20 document was marked as Exhibit Number 23.)</p> <p>21 BY MR. CALABRO:</p> <p>22 Q. Let me know when you're ready, sir.</p> <p>23 A. (Witness reviews document.)</p> <p>24 Okay.</p> <p>25 Q. All right. Just a couple of quick questions</p>	<p style="text-align: right;">Page 204</p> <p>1 Q. Okay. Because if you look at the</p> <p>2 attachment -- why don't you identify the attachment</p> <p>3 for me, if you can.</p> <p>4 A. Here?</p> <p>5 Q. Yeah. Do you recognize what this is a</p> <p>6 drawing of?</p> <p>7 A. This appears to be a drawing of the -- the</p> <p>8 service part plate shown here in the red.</p> <p>9 Q. Do you know if this is the final version?</p> <p>10 A. I don't know that.</p> <p>11 Q. Okay. If you look at that attachment, the</p> <p>12 picture to the top right corner, there's a number</p> <p>13 there of 743123ZB00A.</p> <p>14 A. Yes.</p> <p>15 Q. All right. Now, if you look back at the</p> <p>16 e-mail, that's a slightly different number than is</p> <p>17 referenced on page 2443 underneath that chart.</p> <p>18 A. Yes, I need to confirm that.</p> <p>19 Q. Okay.</p> <p>20 A. I don't know that I can...</p> <p>21 Q. Well, yeah, go ahead, sorry.</p> <p>22 A. No. I was going to say, this appears -- this</p> <p>23 appears to be the service part though. So --</p> <p>24 Q. You're looking at the attachment?</p> <p>25 A. Yes.</p>

51 (Pages 201 to 204)

Page 205	Page 207
<p>1 Q. Yes.</p> <p>2 A. I don't know if it was just a ty- -- typo or</p> <p>3 if it's something different. We need to confirm.</p> <p>4 Q. Okay. When we're looking at these part</p> <p>5 numbers, for example at 244 on page 2443?</p> <p>6 A. Uh-huh.</p> <p>7 Q. 74312, what does that represent?</p> <p>8 A. That is the primary five digit part number to</p> <p>9 -- and he's referencing here the four -- floor pan</p> <p>10 part number.</p> <p>11 Q. And then the second part of the number, what</p> <p>12 does that represent?</p> <p>13 A. So the first five digits are kind of the</p> <p>14 primary. They are used -- so, for example, this</p> <p>15 could be a floor pan for -- the first five digits</p> <p>16 for any model.</p> <p>17 Q. Okay.</p> <p>18 A. And then the last five are kind of designated</p> <p>19 for this specific model like an Altima --</p> <p>20 Q. Right.</p> <p>21 A. -- or Maxima.</p> <p>22 MR. CALABRO: Okay. All right. We'll</p> <p>23 mark as Exhibit 24 document Bates Number NNA2674</p> <p>24 through 80.</p> <p>25 (WHEREUPON, the above-mentioned</p>	<p>1 A. I don't recall Joseph Buratto.</p> <p>2 Q. His e-mail address has an NRD before Nissan?</p> <p>3 A. Yeah, it -- he would have been a design</p> <p>4 person. I don't know if he was at -- at the NTCNA</p> <p>5 facility or at the NTC Japan.</p> <p>6 Q. Okay.</p> <p>7 A. And I don't know what his function was in</p> <p>8 this. I don't remember that name.</p> <p>9 Q. Does -- do you know what that designation,</p> <p>10 NRD before Nissan means?</p> <p>11 A. It typically means, research and development</p> <p>12 for design.</p> <p>13 Q. So Mr. Hunter writes, Steve's picture -- I</p> <p>14 think the picture he's referring to on page 2276, is</p> <p>15 representative of the factory condition. There were</p> <p>16 two layers of metal that overlapped each other. The</p> <p>17 corrosion issue results directly from salt water</p> <p>18 seeping between these two layers and rusting. Do</p> <p>19 you see that?</p> <p>20 A. I see that.</p> <p>21 Q. All right. Again, no reason -- no facts to</p> <p>22 dispute that, right?</p> <p>23 A. No facts to dispute that.</p> <p>24 MR. CALABRO: Okay. All right. We'll</p> <p>25 mark as Exhibit 25 document Bates Numbered 2700.</p>
Page 206	Page 208
<p>1 document was marked as Exhibit Number 24.)</p> <p>2 BY MR. CALABRO:</p> <p>3 Q. I think I gave you two.</p> <p>4 A. Oh, yeah.</p> <p>5 Q. If you don't mind giving one to Grant there.</p> <p>6 I think this is a continuation of an e-mail</p> <p>7 chain we saw previously.</p> <p>8 A. Yeah.</p> <p>9 Q. Okay. All right. So this is an e-mail chain</p> <p>10 involving you, Mr. Hunter, and some other folks in</p> <p>11 September of 2013; is that correct, sir?</p> <p>12 A. That's correct, yes.</p> <p>13 Q. I guess, from May until September of 2013.</p> <p>14 A. Yes.</p> <p>15 Q. Any reason to doubt that you received this</p> <p>16 e-mail chain in the form attached here as Exhibit</p> <p>17 24?</p> <p>18 A. No reason to doubt.</p> <p>19 Q. All right. If you'll look at the very top</p> <p>20 e-mail on 2674, e-mail from you to Ar- -- to Ari</p> <p>21 and -- and -- and -- I'm sorry the e-mail from</p> <p>22 Mr. Hunter to you and Ari also copying Joseph</p> <p>23 Buratto. Do you see that?</p> <p>24 A. I do.</p> <p>25 Q. Who is Joseph Buratto?</p>	<p>1 (WHEREUPON, the above-mentioned</p> <p>2 document was marked as Exhibit Number 25.)</p> <p>3 THE WITNESS: Okay.</p> <p>4 BY MR. CALABRO:</p> <p>5 Q. Okay. Do you see this as an e-mail from John</p> <p>6 Smith to various folks including yourself, October</p> <p>7 of 2013?</p> <p>8 A. Yes.</p> <p>9 Q. Any reason to doubt that you received the</p> <p>10 e-mail in a form provided att- -- form provided here</p> <p>11 as Exhibit 25?</p> <p>12 A. No reason to doubt.</p> <p>13 Q. All right. So in this e-mail Mr. Smith --</p> <p>14 and remind me when Mr. Smith was retiring?</p> <p>15 A. I want to say around 2016.</p> <p>16 Q. Okay. So in this e-mail Mr. Smith notes, We</p> <p>17 have initiated pulling together the support material</p> <p>18 for the Follow-up TM, technical meeting, of the 2001</p> <p>19 plus model year floor corrosion and repair. Initial</p> <p>20 materials was pulled together by Henry Yu. Do you</p> <p>21 see that?</p> <p>22 A. I do.</p> <p>23 Q. Do you know who that is?</p> <p>24 A. He was a design engineer probably around 2011</p> <p>25 that was involved in the assessment.</p>

52 (Pages 205 to 208)

Page 209	Page 211
<p>1 <b>Q. Okay. Part of NTNCA?</b></p> <p>2 A. NTCNA.</p> <p>3 <b>Q. NTCNA.</b></p> <p>4 <b>We will be -- he goes on to say, We will be</b></p> <p>5 <b>changing the assignment from Darryl's department to</b></p> <p>6 <b>Itoh-san's to be consistent with the car line</b></p> <p>7 <b>responsibilities in test. Do you see that?</b></p> <p>8 A. Yes.</p> <p>9 <b>Q. So the Darryl he's referring to is who?</b></p> <p>10 A. Darryl Stolarczyk.</p> <p>11 <b>Q. Okay. And what was his role prior to this?</b></p> <p>12 A. He -- he was a -- he's director of safety</p> <p>13 engineering at NTCNA.</p> <p>14 <b>Q. Okay. And then Itoh-san is, I guess,</b></p> <p>15 <b>Hirofumi?</b></p> <p>16 A. Yes.</p> <p>17 <b>Q. And -- and who -- what was his role? What</b></p> <p>18 <b>was his responsibility?</b></p> <p>19 A. I don't recall.</p> <p>20 <b>Q. Okay. His e-mail address shows NRD, so he</b></p> <p>21 <b>was also in design?</b></p> <p>22 A. Yeah. I can -- I can say he was in design, I</p> <p>23 just don't know his specific responsibilities at</p> <p>24 this time.</p> <p>25 <b>Q. So this was all in reference to a followup</b></p>	<p>1 meeting to discuss top -- typically top warranty</p> <p>2 concerns from my memory.</p> <p>3 <b>Q. What's the OPQD department?</b></p> <p>4 A. Overseas -- overseas product -- OPQD,</p> <p>5 overseas quality department.</p> <p>6 <b>Q. And what do they do?</b></p> <p>7 A. They're -- they're over quality for the</p> <p>8 model.</p> <p>9 <b>Q. Is there a different OPQD for every model?</b></p> <p>10 A. There's a different OPQD for every model,</p> <p>11 yes.</p> <p>12 <b>Q. I think I'm going to have to show you this</b></p> <p>13 <b>document -- sorry. I was going to try to save time.</b></p> <p>14 MR. CALABRO: But we'll mark as Exhibit</p> <p>15 26, document with Bates Number NNA5112 through 120.</p> <p>16 (WHEREUPON, the above-mentioned</p> <p>17 document was marked as Exhibit Number 26.)</p> <p>18 BY MR. CALABRO:</p> <p>19 <b>Q. You're welcome to read the whole thing, but</b></p> <p>20 <b>I'm quo- -- I'm going to ask you about this</b></p> <p>21 <b>reference to funding roadblocks on the page with</b></p> <p>22 <b>Bates ending on 5115. So if you want to just --</b></p> <p>23 <b>you're welcome to read it all obviously.</b></p> <p>24 A. (Witness reviews document.)</p> <p>25 Okay.</p>
Page 210	Page 212
<p>1 <b>TM. Was there a followup TM that happened in 2013</b></p> <p>2 <b>or subsequent?</b></p> <p>3 A. There was a TM that happened in March of</p> <p>4 2014.</p> <p>5 <b>Q. Okay.</b></p> <p>6 A. To confirm direction and close the con- --</p> <p>7 concern out from a study perspective.</p> <p>8 <b>Q. Okay.</b></p> <p>9 A. We reviewed that summary sheet earlier.</p> <p>10 <b>Q. Was there an earlier TM, when it says a</b></p> <p>11 <b>followup TM?</b></p> <p>12 A. There was a TM in 2011 to close the issue out</p> <p>13 from a safety perspective.</p> <p>14 <b>Q. Okay.</b></p> <p>15 A. Yeah.</p> <p>16 <b>Q. Very good.</b></p> <p>17 <b>So in 2011 there was one TM. There was</b></p> <p>18 <b>another TM in 2014. Was there any other TM in</b></p> <p>19 <b>between?</b></p> <p>20 A. Not to my knowledge, no.</p> <p>21 <b>Q. Did you ever -- if I said the term, QCS</b></p> <p>22 <b>attack meeting, do you know what that is?</b></p> <p>23 A. Vaguely, yes.</p> <p>24 <b>Q. What do you remember a QCS to mean?</b></p> <p>25 A. It was a TCS, total customer satisfaction led</p>	<p>1 <b>Q. Do you know what that's a reference to,</b></p> <p>2 <b>funding roadblocks?</b></p> <p>3 A. So this is in reference to the OPQD</p> <p>4 department, was allotted funding to push</p> <p>5 countermeasures for warranty-related issues on their</p> <p>6 vehicles.</p> <p>7 <b>Q. Okay. And I guess sometimes there were</b></p> <p>8 <b>roadblocks? What do you -- what do you understand</b></p> <p>9 <b>the reference to roadblocks to be?</b></p> <p>10 A. I'm not sure. I don't understand the concept</p> <p>11 of road- -- roadblocks.</p> <p>12 <b>Q. Okay.</b></p> <p>13 A. How that's -- how that's phrased.</p> <p>14 <b>Q. Let's look quickly at the attachment with --</b></p> <p>15 <b>I said I wasn't going to look at it but I just</b></p> <p>16 <b>noticed something on it. If you'll look at page 2,</b></p> <p>17 <b>there's a line for the floor pan issue. And I guess</b></p> <p>18 <b>what we should do first is see if you can identify</b></p> <p>19 <b>what this document is, this spreadsheet that's</b></p> <p>20 <b>marked as Bates 5120. It's titled QSELTBL closure</b></p> <p>21 <b>performance IR, at the very top.</b></p> <p>22 A. I do not recognize this document.</p> <p>23 <b>Q. Okay. Well, on page 2, there's the listing</b></p> <p>24 <b>for the floor pan -- floor pan rusting L31.</b></p> <p>25 A. Yes, I see that.</p>

53 (Pages 209 to 212)

<p style="text-align: right;">Page 213</p> <p>1 Q. There's a NAPSIR. And I think we've talked</p> <p>2 about PSIR before.</p> <p>3 A. We talked about PIR. PSIR is a document</p> <p>4 that's created in G CARS. When a safety assessment</p> <p>5 is completed, that safety assessment will be stored</p> <p>6 under this PSIR in the G-CAR system.</p> <p>7 Q. NA means North America?</p> <p>8 A. NA means North America.</p> <p>9 Q. 2011 means it was done in 2011?</p> <p>10 A. That's correct.</p> <p>11 Q. All right. It also identifies Steve Pres?</p> <p>12 A. Presibello (phonetic).</p> <p>13 Q. Presibello?</p> <p>14 A. Yeah.</p> <p>15 Q. Do you know who that is?</p> <p>16 A. I do.</p> <p>17 Q. What role did he have with respect to the</p> <p>18 L31?</p> <p>19 A. He was a FQI engineer. That had the</p> <p>20 responsibility for body -- body parts.</p> <p>21 Q. Would that include the floor pan issue?</p> <p>22 A. It would have included the floor pan.</p> <p>23 Q. So was he part of the -- a part of the</p> <p>24 original design team for the floor pan?</p> <p>25 A. He's not part of design.</p>	<p style="text-align: right;">Page 215</p> <p>1 identified this document. This is a document -- can</p> <p>2 you tell me how that document was used?</p> <p>3 A. This was, from my memory, reviewed in</p> <p>4 September of '13 to give the team an un -- date on</p> <p>5 the field situation for this -- for this issue.</p> <p>6 Q. So efforts were made to ensure that the</p> <p>7 information in this document is accurate?</p> <p>8 A. Yes.</p> <p>9 Q. And then business decisions were made based</p> <p>10 on this information?</p> <p>11 A. We would have potentially used this for a</p> <p>12 decision on this issue, yes.</p> <p>13 Q. So this is a document kept in the usual</p> <p>14 course of business?</p> <p>15 A. Yes.</p> <p>16 Q. So if we're looking at this slide, parts</p> <p>17 demand, again, this is looking at a demand for that</p> <p>18 replacement part if you cut out the floor pan and --</p> <p>19 and -- and these are the demand for those</p> <p>20 replacement parts?</p> <p>21 A. So this is the demand for this part number</p> <p>22 which is the floor -- I believe this is the floor</p> <p>23 pan assembly --</p> <p>24 Q. Okay.</p> <p>25 A. -- that would then be used to cut out and</p>
<p style="text-align: right;">Page 214</p> <p>1 Q. Okay.</p> <p>2 A. He's field quality investigation?</p> <p>3 Q. Okay. All right. Okay. Do you know</p> <p>4 Ari Schiff -- Ari Schiffan?</p> <p>5 A. I know who -- I know who he is, yes.</p> <p>6 Q. Did you ever work with him?</p> <p>7 A. Just on this floor pan repair procedure.</p> <p>8 MR. CALABRO: We'll mark as Exhibit 27</p> <p>9 document with Bates Number NNA 2495 through -- looks</p> <p>10 like it's a -- it's like a native. So that's the</p> <p>11 only Bates number. Bates Number NNA2495.</p> <p>12 (WHEREUPON, the above-mentioned</p> <p>13 document was marked as Exhibit Number 27.)</p> <p>14 BY MR. CALABRO:</p> <p>15 Q. All right. Do you recognize this document,</p> <p>16 sir?</p> <p>17 A. (Witness reviews document.)</p> <p>18 I do.</p> <p>19 Q. And what's this document?</p> <p>20 A. This appears to be a field update done on</p> <p>21 September 13th of '13 for the floor pan issue.</p> <p>22 Q. Okay. And we're still looking at here on, I</p> <p>23 guess, slide 3 entitled, Parts demand.</p> <p>24 A. Yes.</p> <p>25 Q. Well, let me take a step back. You've</p>	<p style="text-align: right;">Page 216</p> <p>1 create the repair at that time.</p> <p>2 Q. Okay. So 74312 --</p> <p>3 A. Yeah.</p> <p>4 Q. -- ZB030, is the actual?</p> <p>5 A. That's right. This would have been the floor</p> <p>6 pan, which means that other number was the -- for</p> <p>7 that red part, was -- was the plate.</p> <p>8 Q. So if we look at Exhibit 20 -- 25 -- 23, I</p> <p>9 think it is, so if you'll look at the e-mail page</p> <p>10 with Bates Number 2443.</p> <p>11 A. Yes.</p> <p>12 Q. And it says, the floor pan part number for</p> <p>13 Altima and Maxima is the same, 74312ZB030?</p> <p>14 A. Right.</p> <p>15 Q. They're saying the floor pan itself is the</p> <p>16 same for both the Altima and the Maxima?</p> <p>17 A. That's correct.</p> <p>18 Q. Okay. All right. And then if we go back to</p> <p>19 this exhibit, Exhibit 27, this is showing the demand</p> <p>20 for that floor pan part itself?</p> <p>21 A. Yes. This is showing the amount of parts</p> <p>22 that were sold to dealers in this timeframe.</p> <p>23 Q. Okay. Not the repair plate, but the actual</p> <p>24 full floor pan part?</p> <p>25 A. That's correct.</p>

54 (Pages 213 to 216)

Page 217	Page 219
<p>1 <b>Q. Like the original part?</b></p> <p>2 A. That's -- yeah. Original service part.</p> <p>3 <b>Q. Yeah. Is the production part different than</b></p> <p>4 <b>the service part?</b></p> <p>5 A. They'll have different part numbers.</p> <p>6 <b>Q. Okay.</b></p> <p>7 A. Yeah.</p> <p>8 (TALKING SIMULTANEOUSLY.)</p> <p>9 <b>Q. But it's the same --</b></p> <p>10 A. But essentially the same --</p> <p>11 <b>Q. Okay. All right. Put that aside.</b></p> <p>12 MR. CALABRO: We'll mark as Exhibit 28,</p> <p>13 document with Bates Number NNA2705 through 09.</p> <p>14 (WHEREUPON, the above-mentioned</p> <p>15 document was marked as Exhibit Number 28.)</p> <p>16 BY MR. CALABRO:</p> <p>17 <b>Q. Let me know when you're ready, sir.</b></p> <p>18 A. (Witness reviews document.)</p> <p>19 Okay.</p> <p>20 <b>Q. All right. You'll see that this is an e-mail</b></p> <p>21 <b>chain involving Jonathan -- is it Quiton?</b></p> <p>22 A. It's Quiton.</p> <p>23 <b>Q. Quiton.</b></p> <p>24 A. Uh-huh.</p> <p>25 <b>Q. That eventually makes its way to you; is that</b></p>	<p>1 statistical folks so we were giving them data to</p> <p>2 create essentially the Weibull graphs for support to</p> <p>3 understand the incident rate?</p> <p>4 A. Okay.</p> <p>5 <b>Q. So we can short circuit a bunch of the back</b></p> <p>6 <b>and forth and get to the very first page, Page 2705?</b></p> <p>7 A. Uh-huh.</p> <p>8 <b>Q. Ultimately, they say based on preliminary</b></p> <p>9 <b>results from Shaun, we will be expecting 90 to 95</b></p> <p>10 <b>percent incident rate for salt in Canada vehicle</b></p> <p>11 <b>population; is that right?</b></p> <p>12 A. I see that and that's a correct statement</p> <p>13 based on Jonathan's analysis.</p> <p>14 <b>Q. All right. And then it says, however, we</b></p> <p>15 <b>need to lower this estimate by the scrap rate?</b></p> <p>16 A. Yes.</p> <p>17 <b>Q. Okay. Tell me what the scrap rate is.</b></p> <p>18 A. So over time as vehicles get old, they</p> <p>19 obviously -- some will go off the road and they were</p> <p>20 trying to incorporate that rate into our estimation</p> <p>21 to understand how many incident vehicles we have in</p> <p>22 the market.</p> <p>23 <b>Q. Do you know if that was ever done?</b></p> <p>24 A. I don't recall.</p> <p>25 <b>Q. Okay. Do you have any idea what the scrap</b></p>
Page 218	Page 220
<p>1 right, sir?</p> <p>2 A. Yes, that's correct.</p> <p>3 <b>Q. All right. Any reason to doubt that you</b></p> <p>4 <b>received and sent e-mails in this chain as reflected</b></p> <p>5 <b>in Exhibit 28?</b></p> <p>6 A. No reason to refute.</p> <p>7 <b>Q. Okay. The subject line is floor pan data, do</b></p> <p>8 <b>you see that, sir?</b></p> <p>9 A. I do.</p> <p>10 <b>Q. And if you look at the very, very first</b></p> <p>11 <b>e-mail from Shaun Callahan to you?</b></p> <p>12 A. Yes.</p> <p>13 <b>Q. And he says, Can you help me understand what</b></p> <p>14 <b>you want to figure out with the Floor Pan data? Are</b></p> <p>15 <b>we simply looking to see if MIS factors into the</b></p> <p>16 <b>probability that a judgment rates as "pert"? Or do</b></p> <p>17 <b>we need a data model to predict future occurrences</b></p> <p>18 <b>based on MIS? Or something else? Do you see that?</b></p> <p>19 A. I see that, yes.</p> <p>20 <b>Q. Do you remember what was happening in this</b></p> <p>21 <b>e-mail chain?</b></p> <p>22 A. So Jonathan and at the time Shaun worked for</p> <p>23 a group called QSA, quality safety and</p> <p>24 administration.</p> <p>25 <b>Q. Okay. And they were basically our</b></p>	<p>1 rate would be?</p> <p>2 A. I -- I don't recall.</p> <p>3 <b>Q. Okay.</b></p> <p>4 A. I'm not -- no.</p> <p>5 <b>Q. Do you know if the end number for the</b></p> <p>6 <b>incident rate ever changed much from the 90 to 95</b></p> <p>7 <b>percent rate for salt and U.S. salt and Canada</b></p> <p>8 <b>states?</b></p> <p>9 A. No, I think in the final TM, we discussed 90</p> <p>10 percent, so no change.</p> <p>11 <b>Q. So that's the number Nissan settled on, 90</b></p> <p>12 <b>percent?</b></p> <p>13 A. That's the number that we estimated.</p> <p>14 <b>Q. For the -- for the salt?</b></p> <p>15 A. For the salt, right. For the salt in Canada</p> <p>16 populations.</p> <p>17 <b>Q. Was there any understanding as to why it</b></p> <p>18 <b>wasn't 100 percent?</b></p> <p>19 A. The understanding from manufacturing is there</p> <p>20 would be some -- some scenario where the patch was</p> <p>21 fully sealed and would not allow for intrusion of</p> <p>22 salt and water.</p> <p>23 <b>Q. There's a referenc- --</b></p> <p>24 MR. CALABRO: Well, we'll mark as</p> <p>25 Exhibit 29, document Bates Number NNA 5016</p>

55 (Pages 217 to 220)



<p style="text-align: right;">Page 221</p> <p>1 through -- I think, 25.</p> <p>2 (WHEREUPON, the above-mentioned</p> <p>3 document was marked as Exhibit Number 29.)</p> <p>4 MR. LAW: You know, I know we're trying</p> <p>5 to move through, but can we -- let's take about five</p> <p>6 minutes.</p> <p>7 MR. CALABRO: Before we do this</p> <p>8 document?</p> <p>9 MR. LAW: Yeah.</p> <p>10 MR. CALABRO: Sure, let's break.</p> <p>11 THE VIDEOGRAPHER: We're off the record</p> <p>12 at 2:33 p.m.</p> <p>13 (Short break.)</p> <p>14 THE VIDEOGRAPHER: We are back on the</p> <p>15 record at 2:46 p.m.</p> <p>16 MR. CALABRO: All right. Can we go off</p> <p>17 the record real quick?</p> <p>18 THE VIDEOGRAPHER: We're off the record</p> <p>19 at 2:46 p.m.</p> <p>20 (Short break.)</p> <p>21 THE VIDEOGRAPHER: We are on the record</p> <p>22 at 2:47 p.m.</p> <p>23 BY MR. CALABRO:</p> <p>24 <b>Q. All right, sir. Have you had a chance to</b></p> <p>25 <b>review that document that's in front of you?</b></p>	<p style="text-align: right;">Page 223</p> <p>1 the QSA team to further understand the incident rate</p> <p>2 in different areas of the country for the floor pan</p> <p>3 issue.</p> <p>4 <b>Q. Okay. If you look at slide -- and, I guess,</b></p> <p>5 <b>I need to take a step back. This is a document</b></p> <p>6 <b>prepared to make business decisions in the usual</b></p> <p>7 <b>course of business; is that right, sir?</b></p> <p>8 A. That's correct, yes.</p> <p>9 <b>Q. Okay. If -- if you look at slide 2, it says,</b></p> <p>10 <b>survey result logic regression forecast -- that one</b></p> <p>11 <b>that you're looking at right there.</b></p> <p>12 A. Yes.</p> <p>13 <b>Q. All right. So is this showing that over</b></p> <p>14 <b>time, where the horizontal axis says, Months in</b></p> <p>15 <b>service that after approximately 120 months in</b></p> <p>16 <b>service, the probability of perforation -- rust so</b></p> <p>17 <b>bad that it perforates, is 90 percent?</b></p> <p>18 A. That's what this shows, correct, based on the</p> <p>19 study.</p> <p>20 <b>Q. And then eventually it gets close to</b></p> <p>21 <b>100 percent over time?</b></p> <p>22 A. According to the curve, yes.</p> <p>23 <b>Q. And is -- is -- is this the view of Nissan</b></p> <p>24 <b>regarding probability of perforation over time</b></p> <p>25 <b>versus months in service?</b></p>
<p style="text-align: right;">Page 222</p> <p>1 A. I have not. Let me start -- just a moment.</p> <p>2 <b>Q. All right, sir. Do you recognize this as an</b></p> <p>3 <b>e-mail dated October 2013 from John Quiton and</b></p> <p>4 <b>various folks including yourself?</b></p> <p>5 A. Yes.</p> <p>6 <b>Q. Al- -- and any reason to doubt that you</b></p> <p>7 <b>received the e-mail and attachment in the form</b></p> <p>8 <b>presented here as Exhibit 29?</b></p> <p>9 A. No reason to doubt.</p> <p>10 <b>Q. Okay. CC'd in this e-mail is Thomas Kelly.</b></p> <p>11 A. Yes.</p> <p>12 <b>Q. Who's that?</b></p> <p>13 A. Tom Kelly was a contractor that worked for</p> <p>14 FQA for a period of time. I think he was -- he was</p> <p>15 let go in 2014.</p> <p>16 <b>Q. What kind of work was he doing?</b></p> <p>17 A. Just very simple administrative work for FQA.</p> <p>18 <b>Q. Okay. Mr. Quiton writes, Steve Attached, is</b></p> <p>19 <b>the updated study incorporating Mike's R50 and it's</b></p> <p>20 <b>redacted, derived from Polk data. Do you see that?</b></p> <p>21 A. I do.</p> <p>22 <b>Q. And he says, Let me know if you have any</b></p> <p>23 <b>questions. So is this an analysis or you tell me</b></p> <p>24 <b>what this is an analysis of.</b></p> <p>25 A. So this was an analysis done by Jonathan in</p>	<p style="text-align: right;">Page 224</p> <p>1 A. This was the results of the study by QSA for</p> <p>2 the vehicle in the salt and Canada areas.</p> <p>3 <b>Q. Okay.</b></p> <p>4 A. So the salt states.</p> <p>5 <b>Q. So this is Nissan's analysis of the</b></p> <p>6 <b>probability of perforation?</b></p> <p>7 A. As of October 2013, yes.</p> <p>8 <b>Q. Did it change after October of 2013?</b></p> <p>9 A. Not to my knowledge.</p> <p>10 <b>Q. The next slide -- I -- I have to confess, I'm</b></p> <p>11 <b>not really sure what's happening there. Can you</b></p> <p>12 <b>provide a description of what this chart is showing?</b></p> <p>13 A. Not completely.</p> <p>14 <b>Q. Okay.</b></p> <p>15 A. It's a little bit outside of my realm. You</p> <p>16 might need a statistical expert to explain --</p> <p>17 <b>Q. I never got statistic -- just never made</b></p> <p>18 <b>sense to me, but...</b></p> <p>19 A. I can explain this curve.</p> <p>20 <b>Q. I got that.</b></p> <p>21 A. Yeah. This one, I'm not so sure. I don't</p> <p>22 rec- -- I don't recognize it. I'm sure I saw it at</p> <p>23 one time, but don't remember it --</p> <p>24 <b>Q. Okay.</b></p> <p>25 A. -- so I would hate to speak to it.</p>

56 (Pages 221 to 224)

<p style="text-align: right;">Page 225</p> <p>1 Q. Well, actually, let's look at this. If we 2 look at the bottom -- well, you just said you don't 3 know, so I'm not going to keep asking you about it, 4 so don't worry about it. 5 On the next slide, slide 6, it says 6 <b>Multiplier Number 2.</b> 7 A. Yes. 8 Q. Do you see that? There's an Altima box 9 there, and it's -- there's a line there for 10 retention rate. That's the probability that a car 11 is still owned by someone in that field. 12 A. That's probably based on the data that -- 13 that -- that -- so, for example, according to his 14 data for 2002 vehicles at this time, approximately 15 80 percent were registered and on the road in the 16 United States. 17 Q. Okay. And then presumably it shows the same 18 information for the Maxima redacted -- 19 A. That's correct. 20 Q. -- in multiplier number 3. This must be a 21 reference to the R50 campaign that was used as a 22 reference point. 23 A. The comment mentions completion rate based on 24 fuel filler two campaign, so I believe this was a 25 different campaign.</p>	<p style="text-align: right;">Page 227</p> <p>1 this PowerPoint because it was relevant to 2 explaining what the projected probability of 3 incident is? 4 A. Correct. 5 Q. Okay. 6 A. Yeah. 7 Q. And then based on all of the information in 8 the previous slide, in the slide entitled forecast 9 summary, they -- they forecast the amounts that they 10 expect to be in service, right, in Table 2? 11 A. (Witness reviews document.) 12 Yes, that's correct. 13 Q. And what's hap- -- what's -- what's the 14 forecasted counts that's shown in Table 1? 15 A. I believe forecasted counts represents the 16 estimated incidents in the market and in service 17 counts is the vehicles -- total number of vehicles 18 in service at that time. 19 Q. Okay. So just for example, if we're looking 20 at model year 2002, as of the date of this pow- -- 21 presentation, the estimate was, there are 192,383, 22 L31 Altimas still in service. 23 A. Correct. 24 Q. All right. Now, if you start looking at the 25 attachments. The attachments are presumably backup</p>
<p style="text-align: right;">Page 226</p> <p>1 Q. Oh, okay. Do you know what the R50 campaign 2 is? 3 A. Yes. 4 Q. And it wasn't a fuel filler? 5 A. It was -- it was not. 6 Q. Oh, I'm sorry. Multiplier Number 1 is the 7 R50. 8 A. Well, let me bac- -- let me take a step back 9 and make sure I'm clear. I know of campaigns on 10 R50. Since this is redacted, I'm not -- I can't 11 speak for certain that it's the one that I'm 12 thinking about. 13 Q. Okay. 14 A. So... 15 Q. Well, I'll -- I'll -- you know, we skipped 16 over multiplier number 1, which is relatively error 17 rate based on R50 -- 18 A. R50. 19 Q. So we -- we got -- I guess, we missed that 20 when -- 21 A. Yeah, I just don't know. Is it R50 filler 2 22 versus another 2 for another model? 23 Q. You don't know? 24 A. It's not tied in. 25 Q. But presumably this was provided as part of</p>	<p style="text-align: right;">Page 228</p> <p>1 for a lot of the information in the PowerPoint; is 2 that right? 3 A. That's correct. 4 Q. And if you look at the spreadsheet with the 5 tab, Forecast summary, it seems to match some of the 6 numbers that we just saw in that forecast summary 7 slide; is that right? 8 A. Yes, it does appear to match. 9 Q. All right. Now, if you keep going further 10 into the data, there is a tab called forecast by 11 state, correct? 12 A. Yes. 13 Q. And what you'll see is at the very top of 14 this chart, it's got some green and some -- looks 15 like peach -- peach shading. 16 A. Uh-huh. 17 Q. So the -- the -- the second half under the 18 green shading purports to be expected counts 19 assuming, salt state repair rate, right? 20 A. Yes, in green, right. 21 Q. And then the orange shade or the peach 22 shading is the expected counts adjusted by salt 23 state retention and completion rate, right? 24 A. Right, so adding in those factors. 25 Q. Okay. Now, even when you add in all those</p>

57 (Pages 225 to 228)

<p>Page 229</p> <p>1 factors when you go down to Missouri, for example, 2 you see that Missouri is a 1.0 salt state relative 3 rate, correct? 4 A. It's listed as 1.0 on this, yes. 5 Q. And then it shows under the green portion for 6 2002, 2,137 vehicles in Missouri alone? 7 A. Correct. 8 Q. And then you keep going all the way across, 9 and the same number in 2002 where all of the other 10 retention factors -- the retention and completion 11 rate in salt states for 2002, is 1,473? 12 A. That's correct on -- by the statistical 13 analysis, yes. 14 Q. All right. So then to get the total number 15 for Missouri, you would need to add in -- add 16 together the columns for 2002, 2003, 2004, 2005, 17 2006? 18 A. Correct. 19 Q. And that would represent, in the green 20 portion, how many total vehicles are on the road -- 21 well, wait a minute. That would represent the total 22 number of vehicles on the road in Missouri where 23 this incident -- that is to say, perforation is 24 expected? 25 A. The green represents an expected count</p>	<p>Page 231</p> <p>1 rate, meaning, how many cars we actually expect to 2 be on the road -- 3 A. Correct. 4 Q. -- and the completion rate, meaning, how many 5 people are actually going to do the repair -- 6 A. Right. 7 Q. -- that numbers then come down to -- 8 A. 1,473. 9 Q. For just the 2002 model? 10 A. For 2002. 11 Q. And so then for -- and I mean, as we said 12 before, we would add all of the different years 13 together to get the total number per state? 14 A. Right, correct. 15 Q. All right. Now, you go to the next one. 16 This is the tab that says, repair state, right? 17 This is in 5025 tab, Repair state. There's the tab 18 Repair state. 19 A. Okay, got it. 20 Q. Okay. And what it says is there's a 21 colored-coded chart here identifying in red the most 22 severe salt states; is that right? 23 A. Yes. 24 Q. Those are in red? 25 A. Based on the data, correct.</p>
<p>Page 230</p> <p>1 without factoring in customer completion rate and 2 retention rate. That's more above -- 3 Q. Well, it says -- green says, Expected counts 4 assuming salt state repair rate. 5 A. Correct. 6 Q. Okay. So what do we mean by "repair rate" -- 7 A. The -- 8 Q. -- on the green side? 9 A. So on the -- on the -- I'm sorry. I'm 10 confused a little bit. 11 Q. Yeah. Let's focus right now just on the 12 green side. 13 A. Okay, just green okay. 14 Q. It says, for the green, expected counts 15 assuming salt state repair rate. 16 A. Okay, correct. 17 Q. All right. So what does that represent? If 18 I'm looking at 2002 and in Missouri, it says 3- -- 19 2,137. What does that number represent? 20 A. So without adjusting for the two factors, for 21 the completion rate and the retention rate, that's 22 the total number you would expect for repair -- 23 Q. Okay. 24 A. -- 2,1- -- 2,137. 25 Q. And then if you add in both the retention</p>	<p>Page 232</p> <p>1 Q. And Missouri, for example, is one of the most 2 severe salt states? 3 A. They were just in this study to be in the 4 severe conditions for red, yes. 5 Q. Okay. Now, if you look at the next one, this 6 says -- at the bottom, Polk insight, September 24, 7 2018. Do you see that? 8 A. Yes. 9 Q. All right. And what is Polk? Do you 10 recognize that name? 11 A. I do. Polk is a third-party vendor that we 12 received registered information from for vehicle 13 owners. 14 Q. And that's a vendor that you -- that Nissan 15 relies on as a matter, of course, to provide any 16 kind of data? 17 A. Yes, that's correct, yes. 18 Q. Is Polk sort of an industry-wide resource for 19 manufacturers? 20 A. They are. They're considered industry 21 standard in the United States. 22 Q. Okay. And this is the data upon which Nissan 23 based a lot of the calculations that we've just been 24 looking at; is that right? 25 A. That's correct, yes.</p>

58 (Pages 229 to 232)

Page 233	Page 235
<p>1 <b>Q. All right. Now, you'll see that a lot of the</b></p> <p>2 <b>Maxima's information has been redacted. Based on --</b></p> <p>3 MR. LAW: Sorry. Can we get some</p> <p>4 clarification on that date? On the lower-left</p> <p>5 corner potentially suggests it was created</p> <p>6 yesterday. And I suspect it was printed yesterday.</p> <p>7 So can we make --</p> <p>8 MR. CALABRO: That's probably right.</p> <p>9 MR. LAW: Because you called out the</p> <p>10 date and it wasn't --</p> <p>11 MR. CALABRO: You're absolutely right.</p> <p>12 MR. LAW: There wasn't anyone --</p> <p>13 MR. CALABRO: I wasn't even thinking.</p> <p>14 That's absolutely right.</p> <p>15 MR. LAW: If I'm correct, we have the</p> <p>16 world's most updated data for you. We ran it</p> <p>17 yesterday.</p> <p>18 MR. CALABRO: I apologize. I wasn't</p> <p>19 even thinking when I saw that.</p> <p>20 MR. LAW: That's fine.</p> <p>21 BY MR. CALABRO:</p> <p>22 <b>Q. The data actually says, as of July 2013 --</b></p> <p>23 A. 2013.</p> <p>24 <b>Q. -- up at the top?</b></p> <p>25 MR. LAW: I agree. I agree.</p>	<p>1 Let me just see if we can get this right.</p> <p>2 It doesn't look like this -- this one got printed</p> <p>3 out, so what I'm going to do is show you on the</p> <p>4 actual Excel spreadsheet. You can have that back.</p> <p>5 Thank you for...</p> <p>6 See if I can get that to go. It's been sort</p> <p>7 of unreliable lately. We'll, let that -- see if</p> <p>8 that goes. We'll go to the next document, and see</p> <p>9 if it comes back.</p> <p>10 MR. CALABRO: We'll mark as Exhibit 30</p> <p>11 document Bates Numbered NNA3342 through 51.</p> <p>12 (WHEREUPON, the above-mentioned</p> <p>13 document was marked as Exhibit Number 30.)</p> <p>14 BY MR. CALABRO:</p> <p>15 <b>Q. Did I say that was 30?</b></p> <p>16 A. Yes.</p> <p>17 (Witness reviews document.)</p> <p>18 Okay.</p> <p>19 <b>Q. All right. So you recognize this document,</b></p> <p>20 <b>sir?</b></p> <p>21 A. I did not.</p> <p>22 <b>Q. All right. Do you recognize the name of</b></p> <p>23 <b>Mr.- -- Mr. Hammoud though on March 17, 2014?</b></p> <p>24 A. I do recognize that, yes.</p> <p>25 <b>Q. If you'll turn to slide 7. Looks like</b></p>
Page 234	Page 236
<p>1 MR. CALABRO: Yeah, okay.</p> <p>2 BY MR. CALABRO:</p> <p>3 <b>Q. But what is -- what is blacked out or not</b></p> <p>4 <b>blacked out but redacted out of this spreadsheet is</b></p> <p>5 <b>the Nissan Maxima's numbers for the A34. Do you see</b></p> <p>6 <b>that, sir?</b></p> <p>7 A. Yes.</p> <p>8 <b>Q. And based on your experience, would the</b></p> <p>9 <b>Maxima's numbers be less than, more than, about the</b></p> <p>10 <b>same as the Altima numbers?</b></p> <p>11 A. For the number of vehicles on the road?</p> <p>12 <b>Q. Right.</b></p> <p>13 A. From my experience, it'd be very similar.</p> <p>14 <b>Q. Okay.</b></p> <p>15 A. As far as the percentage on the road, right?</p> <p>16 Volumes may differ obviously, but the percentage</p> <p>17 remaining on the road would be --</p> <p>18 <b>Q. Okay. Well, what about the volume? Would</b></p> <p>19 <b>that be less than, more than or about the same?</b></p> <p>20 A. Well, the L31 Altima was a higher volume</p> <p>21 vehicle than the A43 Maxima, so I would expect</p> <p>22 Altima to be higher.</p> <p>23 <b>Q. Okay. Now, this last one, 5025 -- so I'm</b></p> <p>24 <b>saying 5025. Let me tell you what -- so I will tell</b></p> <p>25 <b>you that on the -- actually, I can't represent that.</b></p>	<p>1 through this slide presentation, we're looking at</p> <p>2 various cost projections of the campaigns, and one</p> <p>3 of them appears to be related to this issue, the</p> <p>4 floor pan issue L31, A34 on slide 7.</p> <p>5 In this salt states column, I suggest</p> <p>6 towards the bottom, there's a line item for mail,</p> <p>7 mailing?</p> <p>8 A. Correct.</p> <p>9 <b>Q. Mailing out to 500,012 people, cost of .65</b></p> <p>10 <b>per piece of mail. The mail cost of around</b></p> <p>11 <b>\$333,000.</b></p> <p>12 Do you know whether Nissan actually did send</p> <p>13 out mailing to anyone advising them of this issue?</p> <p>14 A. There were no mailings sent out regarding</p> <p>15 this issue to customers.</p> <p>16 <b>Q. Is that something that Nissan sometimes does</b></p> <p>17 <b>is send out mailings to owners?</b></p> <p>18 A. From an FQA perspective, mailings are</p> <p>19 typically done with recalls and service campaigns.</p> <p>20 <b>Q. How does Nissan have the contact information</b></p> <p>21 <b>for the people to notify them of recall campaigns,</b></p> <p>22 <b>for example?</b></p> <p>23 MR. LAW: Objection. It's outside of</p> <p>24 the scope.</p> <p>25 THE WITNESS: We utilize the Polk</p>

59 (Pages 233 to 236)

<p style="text-align: right;">Page 237</p> <p>1 vendor, provide them the VINs, and then they would</p> <p>2 provide back registry information for the mailings.</p> <p>3 BY MR. CALABRO:</p> <p>4 <b>Q. Got it, okay. You can set that aside.</b></p> <p>5 <b>Well, I'm having no luck on this. I know</b></p> <p>6 <b>why. I don't have this connected. All right.</b></p> <p>7 <b>Let's see if we can -- there we go. All right.</b></p> <p>8 <b>Now, let me just get it a little clearer.</b></p> <p>9 MR. LAW: So since we don't have a paper</p> <p>10 copy, I mean, I'm reluctant to let him look at</p> <p>11 something that's not here.</p> <p>12 MR. CALABRO: Yeah.</p> <p>13 MR. LAW: But I think -- and I'll have</p> <p>14 Michelle's -- the advising counsel on this, make</p> <p>15 sure that this is properly identified so that there</p> <p>16 are no questions later on about --</p> <p>17 MR. CALABRO: Yeah.</p> <p>18 MR. LAW: -- what you are looking at.</p> <p>19 MR. CALABRO: I'm happy --</p> <p>20 MR. LAW: It's a little unorth- --</p> <p>21 unorthodox.</p> <p>22 BY MR. CALABRO:</p> <p>23 <b>Q. All right. I just lost it. The challenge</b></p> <p>24 <b>has been on -- you know, some of the spreadsheets</b></p> <p>25 <b>are not -- well, I don't want to waste too much</b></p>	<p style="text-align: right;">Page 239</p> <p>1 <b>it purports to be the Pre-VI list G CARS I-RANKS, do</b></p> <p>2 <b>you see that?</b></p> <p>3 A. Yes.</p> <p>4 <b>Q. And this is dated as of May 28, 2014, is that</b></p> <p>5 <b>right?</b></p> <p>6 A. That's correct.</p> <p>7 <b>Q. All right. Now, if you'll look at, I think</b></p> <p>8 <b>it's the very first line --</b></p> <p>9 A. Uh-huh.</p> <p>10 <b>Q. -- L31, floor pan rusting -- do you see that?</b></p> <p>11 A. I see it.</p> <p>12 <b>Q. FQA status is closed NTNTC, you see that?</b></p> <p>13 A. Correct, yes.</p> <p>14 <b>Q. It means it's done? That means that we're</b></p> <p>15 <b>not looking at this issue anymore?</b></p> <p>16 A. That's correct.</p> <p>17 <b>Q. Okay. And as of this date in 2014, no</b></p> <p>18 <b>recalls had been issued, right?</b></p> <p>19 A. That's correct.</p> <p>20 <b>Q. No service campaign?</b></p> <p>21 A. That's also correct.</p> <p>22 <b>Q. Had there been anything communicated to the</b></p> <p>23 <b>field about this issue?</b></p> <p>24 A. At this point in time, no.</p> <p>25 <b>Q. So at this point in time though, the issue is</b></p>
<p style="text-align: right;">Page 238</p> <p>1 <b>time. We'll come back to that as that gets linked</b></p> <p>2 <b>back up.</b></p> <p>3 <b>Let's move on to the next one.</b></p> <p>4 MR. CALABRO: We'll mark as Exhibit 31</p> <p>5 documents Bates Numbered NNA5036 through 37.</p> <p>6 (WHEREUPON, the above-mentioned</p> <p>7 document was marked as Exhibit Number 31.)</p> <p>8 THE WITNESS: Okay.</p> <p>9 BY MR. CALABRO:</p> <p>10 <b>Q. Let me see how yours is. Do you mind if I</b></p> <p>11 <b>just --</b></p> <p>12 MR. CALABRO: Grant, do you mind if I</p> <p>13 borrow your 74 [sic] again just --</p> <p>14 MR. LAW: Thirty-one?</p> <p>15 MR. CALABRO: Yeah, 31, thanks.</p> <p>16 BY MR. CALABRO:</p> <p>17 <b>Q. Sir, do you recognize this document as an</b></p> <p>18 <b>e-mail from Ms. Sears to you dated May of 2014?</b></p> <p>19 A. Yes.</p> <p>20 <b>Q. All right. Now, if you'll look at the -- any</b></p> <p>21 <b>reason to doubt that you received the e-mail and</b></p> <p>22 <b>attachments in the form presented here as</b></p> <p>23 <b>Exhibit 31?</b></p> <p>24 A. No reason to doubt.</p> <p>25 <b>Q. Okay. Now, if you'll look at the attachment,</b></p>	<p style="text-align: right;">Page 240</p> <p>1 <b>now dead?</b></p> <p>2 A. It's -- it's -- it's closed out in the TMTC</p> <p>3 process, correct.</p> <p>4 <b>Q. Okay. So does that mean that nobody is</b></p> <p>5 <b>working on it, if it's closed out in the TMTC</b></p> <p>6 <b>process?</b></p> <p>7 A. So at this time, we had handed off the repair</p> <p>8 procedure for review by FQI, so...</p> <p>9 <b>Q. So FQI is still diligently working on this?</b></p> <p>10 A. They have it and making the decision whether</p> <p>11 to go out with the TSB or not.</p> <p>12 <b>Q. And so if they decide to do the TSB, that's</b></p> <p>13 <b>outside of FQA?</b></p> <p>14 A. TSB is outside of FQA.</p> <p>15 <b>Q. So if they decide to do a TSB, do they</b></p> <p>16 <b>communicate with anybody in FQA about that?</b></p> <p>17 A. Typically they would have for an issue such</p> <p>18 as this, we would have -- we would have known if</p> <p>19 they were going out with it or not?</p> <p>20 <b>Q. But as far as the vital issue process, it's</b></p> <p>21 <b>done?</b></p> <p>22 A. It's done in vital issues at this point.</p> <p>23 <b>Q. Okay.</b></p> <p>24 A. Yes.</p> <p>25 <b>Q. All right. Then who overseas the FQI process</b></p>

60 (Pages 237 to 240)

<p style="text-align: right;">Page 241</p> <p>1 at, you know, at this point in time in 2014, if it's</p> <p>2 just a TSB issue?</p> <p>3 A. This would have been the body -- FQI's body</p> <p>4 manager at that time.</p> <p>5 Q. Okay. When -- when the decision was made to</p> <p>6 close this out, do you know who specifically was</p> <p>7 responsible for that decision?</p> <p>8 A. I -- I know the FQI body manager would have</p> <p>9 had responsibility for the TSB release.</p> <p>10 Q. Sorry. I think I -- I was not clear in my</p> <p>11 question.</p> <p>12 A. All right.</p> <p>13 Q. In terms of closing it out in the TMTC</p> <p>14 process, in terms of the vital issue process, do you</p> <p>15 know who was responsible for making the decision</p> <p>16 that, you know, vital issues isn't going to do</p> <p>17 anything with this?</p> <p>18 A. Yes. That would have been the FQA senior</p> <p>19 manager recommended to the chief safety officer.</p> <p>20 Q. So remind me who the FQA manager was?</p> <p>21 A. FQA senior manager was Dale Weiss --</p> <p>22 Q. Okay.</p> <p>23 A. -- reporting to Selim Hammoud.</p> <p>24 Q. So he -- he wou- -- so Mr. Weiss would</p> <p>25 recommend to Mr.- -- well, strike the question.</p>	<p style="text-align: right;">Page 243</p> <p>1 we'll do just so -- just so you can see, Grant.</p> <p>2 This is the spreadsheet. At the top, I will have</p> <p>3 the witness identify the Bates number that's at the</p> <p>4 top ending of the spreadsheet that you see there.</p> <p>5 BY MR. CALABRO:</p> <p>6 Q. Can you see this number here, sir?</p> <p>7 A. I can, NNA005037.</p> <p>8 Q. All right. So this is the attachment that we</p> <p>9 were just looking at that's marked as Exhibit 31.</p> <p>10 What I'm going to do here is I'm just going</p> <p>11 to filter this out for --</p> <p>12 A. It went away again.</p> <p>13 Q. That's unfortunate. It keeps on crashing.</p> <p>14 Okay. So what I've done, sir, is I just --</p> <p>15 I just filtered out the redacted, so now all we see</p> <p>16 is the non redacted stuff here. And there's also</p> <p>17 an issue here with respect to --</p> <p>18 A. It did again.</p> <p>19 Q. Yeah. There's also an issue here if you see,</p> <p>20 Altima front, sub frame rusted. And then it's</p> <p>21 redacted. Do you see that, sir?</p> <p>22 A. I see that.</p> <p>23 Q. All right. Did you have any involvement in</p> <p>24 that issue?</p> <p>25 A. I don't recall that issue coming into TMTC.</p>
<p style="text-align: right;">Page 242</p> <p>1 Mr. Weiss recommended to Mr. Hammoud to</p> <p>2 close it out through the vital issue process, this</p> <p>3 L31, A34 rust issue?</p> <p>4 A. Yeah. At the TM that was held in March of</p> <p>5 2014.</p> <p>6 Q. And Mr. Hammoud made the decision, okay, it's</p> <p>7 done. Let's close it out, right?</p> <p>8 A. He agreed -- he agreed with the</p> <p>9 recommendation, yes.</p> <p>10 Q. Meaning, we're not going to do a service</p> <p>11 campaign?</p> <p>12 A. That's correct.</p> <p>13 Q. All right. Now, if you'll look down the</p> <p>14 list, there's another L31 issue. It's the only</p> <p>15 other one that's not redacted. It's says, 2002,</p> <p>16 2005 Altima front suspension. And because we can't</p> <p>17 see it on this version here, I can tell you and</p> <p>18 represent to you -- well, actually here we go. It's</p> <p>19 working now.</p> <p>20 A. It's not going to fly today.</p> <p>21 Q. Okay. Well, I guess that's how it works.</p> <p>22 Actually, let me do one thing. Sometimes if I turn</p> <p>23 off the Wi-Fi...</p> <p>24 Okay. All right, hold on.</p> <p>25 MR. CALABRO: All right. Here's what</p>	<p style="text-align: right;">Page 244</p> <p>1 Q. All right. Let's go back to -- I see that it</p> <p>2 went out again. Let me see if I can get things back</p> <p>3 up.</p> <p>4 All right. So what I had -- if you'll tell</p> <p>5 me the Bates -- I've changed back to the Exhibit</p> <p>6 29. Okay. If you'll look at this Bates number I</p> <p>7 have here -- do you see at the top?</p> <p>8 A. I do.</p> <p>9 Q. NNA5029.</p> <p>10 A. Yes.</p> <p>11 Q. All right. So this is the one where we were</p> <p>12 talking about where we had the repair states. This</p> <p>13 is just -- I'm just going to close everything else</p> <p>14 to see -- make sure it's not interfering.</p> <p>15 All right. Do you remember this</p> <p>16 spreadsheet, sir?</p> <p>17 A. Yes, I do.</p> <p>18 Q. There's -- there's this tab here at the</p> <p>19 bottom in-services. This tab -- there's this tab</p> <p>20 here at the bottom that says, in-services counts.</p> <p>21 A. Yes. It's half showing though. Now it's</p> <p>22 back.</p> <p>23 Q. There you go.</p> <p>24 And you'll see at the top -- does this look</p> <p>25 like it's the data that's generated from Polk?</p>

61 (Pages 241 to 244)

<p>Page 245</p> <p>1 A. Could you scroll down?</p> <p>2 <b>Q. Absolutely. What we can do here is freeze</b></p> <p>3 <b>this, that way you've got the header. We'll come</b></p> <p>4 <b>down here to Missouri, for example. So now these</b></p> <p>5 <b>represent, for example, here in column or in cell</b></p> <p>6 <b>D102, that there are 2,154 Nissan Altimas, L31s from</b></p> <p>7 <b>model year 2002 in Missouri in service at this time;</b></p> <p>8 <b>is that right?</b></p> <p>9 A. That's correct.</p> <p>10 <b>Q. And is this the data that was provided from</b></p> <p>11 <b>Polk?</b></p> <p>12 A. This would have been provided from Polk for a</p> <p>13 UIO count, which is units in operation.</p> <p>14 <b>Q. Okay. That's -- that was the only question I</b></p> <p>15 <b>wanted on that one, fortunately. I appreciate it.</b></p> <p>16 <b>With the --</b></p> <p>17 MR. CALABRO: All right, Grant. Here's</p> <p>18 this document back.</p> <p>19 BY MR. CALABRO:</p> <p>20 <b>Q. All right. So at this time, just to reorient</b></p> <p>21 <b>ourselves, by -- by -- by 2014, this issue has been</b></p> <p>22 <b>closed out by the vital issue process with a</b></p> <p>23 <b>decision made not to do a service campaign?</b></p> <p>24 A. That is correct.</p> <p>25 <b>Q. And -- and what were the bases for that</b></p>	<p>Page 247</p> <p>1 had developed a TSB solution that was then handed</p> <p>2 off to our field quality investigation team to</p> <p>3 investigate.</p> <p>4 BY MR. CALABRO:</p> <p>5 <b>Q. But all of those service campaigns that were</b></p> <p>6 <b>under consideration to deal with the customer</b></p> <p>7 <b>satisfaction component of it, Nissan chose not to do</b></p> <p>8 <b>any of those things?</b></p> <p>9 A. That was our decision, correct.</p> <p>10 <b>Q. And was cost a factor in that decision?</b></p> <p>11 A. Cost was a consideration, but this -- again,</p> <p>12 I'll stress again, this was considered and confirmed</p> <p>13 with the agency in HTSA. This was not a safety</p> <p>14 concern.</p> <p>15 <b>Q. Well, it was -- it was considered not a</b></p> <p>16 <b>safety concern no later than 2011, right? I mean,</b></p> <p>17 <b>2011, it was determined not to be a safety concern?</b></p> <p>18 A. That's correct.</p> <p>19 <b>Q. And then at least through 2013 and maybe into</b></p> <p>20 <b>2014, Nissan was still considering a service</b></p> <p>21 <b>campaign.</b></p> <p>22 A. We were studying potential options for field</p> <p>23 fixes, correct.</p> <p>24 <b>Q. And -- because you already knew at that</b></p> <p>25 <b>point, or had determined at that point, that it was</b></p>
<p>Page 246</p> <p>1 <b>decision? Why did they decide not to do a service</b></p> <p>2 <b>campaign?</b></p> <p>3 A. The -- the main -- the main reason was, this</p> <p>4 was not considered a -- a safety issue. We reviewed</p> <p>5 the data. Nissan honored its -- had honored its</p> <p>6 commitment for warranty on these vehicles, and we</p> <p>7 had requested an FQI and then cont- -- continued to</p> <p>8 study a potential appropriate field repair fix in</p> <p>9 the market.</p> <p>10 <b>Q. So the idea -- Nissan recognized that this</b></p> <p>11 <b>was a customer satisfaction issue, right?</b></p> <p>12 A. We deemed it as a customer satisfaction</p> <p>13 issue, yes.</p> <p>14 <b>Q. That customers were unhappy with the -- the</b></p> <p>15 <b>rust that was -- that they were seeing in their</b></p> <p>16 <b>cars?</b></p> <p>17 A. We were aware of -- of complaints from</p> <p>18 some -- a sum of customers that there was rust in</p> <p>19 their vehicles, yes.</p> <p>20 <b>Q. But Nissan still didn't want to take any</b></p> <p>21 <b>action to address those concerns?</b></p> <p>22 MR. LAW: Object. Misstates his</p> <p>23 testimony; it's argumentative.</p> <p>24 THE WITNESS: So, we -- we reviewed the</p> <p>25 issue, chose to do no -- no proactive action, but</p>	<p>Page 248</p> <p>1 <b>not a risk to safety. The reason that you were</b></p> <p>2 <b>concern- -- considering a service campaign was</b></p> <p>3 <b>because of the customer satisfaction issue, right?</b></p> <p>4 A. We were considering it based on the data that</p> <p>5 we had, correct.</p> <p>6 <b>Q. And for a couple of years, right, you were</b></p> <p>7 <b>considering various options?</b></p> <p>8 A. Yes, from 2011 on.</p> <p>9 <b>Q. And the principle concern was the cost of</b></p> <p>10 <b>that service campaign?</b></p> <p>11 MR. LAW: Object; lacks foundation.</p> <p>12 It's argumentative. It calls for speculation.</p> <p>13 THE WITNESS: There's several factors.</p> <p>14 Cost is one when we're considering proactive action</p> <p>15 for service campaigns, correct?</p> <p>16 BY MR. CALABRO:</p> <p>17 <b>Q. What were the other op- -- what were the</b></p> <p>18 <b>other considerations other than cost?</b></p> <p>19 A. Had we provided enough coverage for the</p> <p>20 warranty. Did we honor our commitment? We did.</p> <p>21 The incident rate of the concern. If these were</p> <p>22 original owners or not. All those factors go into a</p> <p>23 potential decision for a service campaign.</p> <p>24 <b>Q. Okay. So what you said there was, you honor</b></p> <p>25 <b>the warranty, meaning, that because people didn't</b></p>

62 (Pages 245 to 248)

<p>Page 249</p> <p>1 find this out until after the warranty was over, 2 there was no warranty claim, according to Nissan, 3 right? 4 A. There were some warran- -- there was a small 5 number of warranty claims, yes. 6 <b>Q. Okay. But people who didn't discover this</b> 7 <b>until after the warranty, Nissan wasn't going to</b> 8 <b>make any adjustment for them?</b> 9 MR. LAW: Object; misstates his 10 testimony. 11 THE WITNESS: So there's also an option 12 for goodwill that is a ten-year option, so we 13 considered that as well. 14 BY MR. CALABRO: 15 <b>Q. Okay.</b> 16 A. And then still judging because of the not 17 safety concern, that we were going to not do a 18 proactive service action but rather develop and 19 release a potential appropriate field repair. 20 <b>Q. So the goodwill isn't necessarily tied to</b> 21 <b>strict timeframe of the warranty remedies, right?</b> 22 A. Yes. So goodwill is basically -- there's a 23 10-year window that Nissan, in certain 24 circumstances, will allow corporate to pay for 25 repairs on customer vehicles depending on the</p>	<p>Page 251</p> <p>1 <b>Q. Okay.</b> 2 A. Decision or not -- 3 <b>Q. Okay. Cost was one, right?</b> 4 A. Correct. Incident rate. 5 <b>Q. Would you say the cost would be the principle</b> 6 <b>one?</b> 7 A. Cost is one of many factors. 8 <b>Q. Would it be the principle cost? I'm sorry.</b> 9 <b>Would it be the principle factor that went into the</b> 10 <b>goodwill decision?</b> 11 A. The goodwill decision. 12 <b>Q. Or the decision not to have goodwill pay for</b> 13 <b>all of the repairs of these cars?</b> 14 A. It was one of the factors. 15 <b>Q. Okay. But my question is, is it -- was it</b> 16 <b>the principle factor?</b> 17 A. I can't -- I -- I think -- there's several 18 factors that went into it. Cost is only one of 19 those. 20 <b>Q. Okay. What were the other factors?</b> 21 A. The incident rate. 22 <b>Q. And by that what do you mean?</b> 23 A. What was the expected incident rate in the 24 market. 25 <b>Q. All right. So this one is a 90 percent</b></p>
<p>Page 250</p> <p>1 situation. 2 <b>Q. And Nissan, in fact, did use goodwill to</b> 3 <b>repair some customer's vehicles with this issue,</b> 4 <b>correct?</b> 5 A. We did, yes, correct. 6 <b>Q. But it decided not to do that for everyone</b> 7 <b>with this issue?</b> 8 A. That's correct. 9 <b>Q. And why was that?</b> 10 A. Why was goodwill not provided for everybody? 11 <b>Q. Right.</b> 12 A. Goodwill -- as we talked about earlier today, 13 goodwill has certain criteria that is followed based 14 on age of the vehicle, original owner, mileage, and 15 other factors to determine whether to apply goodwill 16 or not? 17 <b>Q. And so what was the decision with respect to</b> 18 <b>this issue, this manufacturing issue, that goodwill</b> 19 <b>would not be extended to everyone with this</b> 20 <b>manufacturing issue?</b> 21 MR. LAW: Objection; question is vague. 22 BY MR. CALABRO: 23 <b>Q. Was it just cost?</b> 24 A. No. As I -- as I've just spoken, there's 25 several factors that go into a service campaign.</p>	<p>Page 252</p> <p>1 incident rate. And so did that factor for or 2 against having goodwill pay for these issues? 3 A. It was just the factor. It was the incident 4 rate. 5 <b>Q. Well, in this case did inci- -- I think</b> 6 <b>there's two ways you can look at incident rate. You</b> 7 <b>can say well, 90 percent of the cars are having a</b> 8 <b>problem, so maybe this is something that we should</b> 9 <b>fix. Another way to look at it is, 90 percent of</b> 10 <b>the cars are having a problem. This is going to be</b> 11 <b>expensive to fix. So when Nissan is looking at --</b> 12 <b>maybe there's other options. So when Nissan was</b> 13 <b>looking at the incident rate as a factor to</b> 14 <b>determine whether goodwill, will pay for repairs to</b> 15 <b>all of these cars, how did it factor into the</b> 16 <b>analysis?</b> 17 MR. LAW: I'll object. The question is 18 compound and overbroad and vague and contains a 19 narrative. 20 THE WITNESS: Yeah. So I think we're 21 mixing issues. You keep talking about goodwill 22 cost. So goodwill had a ten-year limit that was 23 allowed on some limited vehicles based on the 24 criteria, as we talked about. 25 The service campaign decision was based</p>

63 (Pages 249 to 252)



<p style="text-align: right;">Page 253</p> <p>1 on several factors, not a safety issue being the</p> <p>2 most -- number 1. The cost of several options that</p> <p>3 we reviewed. The incident rate in the market. The</p> <p>4 owner -- who owns the vehicle?</p> <p>5 We also considered a lot of those</p> <p>6 vehicles were going to be off the road. They're</p> <p>7 very old. So Nissan made a business decision to not</p> <p>8 do a -- a service action; however, to help our</p> <p>9 customer, we did develop and then later released an</p> <p>10 appropriate field repair that the customer could</p> <p>11 get at a lower cost than what they were paying</p> <p>12 previously.</p> <p>13 BY MR. CALABRO:</p> <p>14 <b>Q. All right. Let me just clarify your</b></p> <p>15 <b>testimony. When Nissan was determining whether or</b></p> <p>16 <b>not to do a service campaign, it looked at various</b></p> <p>17 <b>factors, correct?</b></p> <p>18 A. Correct.</p> <p>19 <b>Q. One of them was safety?</b></p> <p>20 A. That's the first thing we always look at.</p> <p>21 <b>Q. First thing was safety. Safety was no longer</b></p> <p>22 <b>an issue as of the end of 2011?</b></p> <p>23 A. That's correct.</p> <p>24 <b>Q. All right. Other factors that you looked at</b></p> <p>25 <b>were cost, correct?</b></p>	<p style="text-align: right;">Page 255</p> <p>1 owners were, how long these cars were going to be on</p> <p>2 the road?</p> <p>3 A. Those were the main factors for this specific</p> <p>4 issue, yes.</p> <p>5 <b>Q. All right. So when we're talking in the</b></p> <p>6 <b>context of service campaign, safety was no longer an</b></p> <p>7 <b>issue after 2011?</b></p> <p>8 A. Correct.</p> <p>9 <b>Q. Nissan was still studying whether to do a</b></p> <p>10 <b>service campaign anyway?</b></p> <p>11 A. We were reviewing different scenarios,</p> <p>12 correct.</p> <p>13 <b>Q. All right. So after 2011, cost was certainly</b></p> <p>14 <b>a consideration?</b></p> <p>15 A. It was one of the factors.</p> <p>16 <b>Q. Is it fair to say that after 2011, cost was</b></p> <p>17 <b>the principle factor Nissan was considering when</b></p> <p>18 <b>determining whether to do a service campaign?</b></p> <p>19 MR. LAW: Objection. The question is</p> <p>20 vague and ambiguous.</p> <p>21 THE WITNESS: Yes. As I've mentioned</p> <p>22 several times now, cost was one of the factors that</p> <p>23 rolled into the decision that we made.</p> <p>24 BY MR. CALABRO:</p> <p>25 <b>Q. I know. And -- and -- and -- and I just want</b></p>
<p style="text-align: right;">Page 254</p> <p>1 A. The cost was one consideration, yes.</p> <p>2 <b>Q. Incident rate?</b></p> <p>3 A. Yes.</p> <p>4 <b>Q. And who the owners were, correct?</b></p> <p>5 A. Right.</p> <p>6 <b>Q. And then --</b></p> <p>7 A. Well, let me clarify. Were these original --</p> <p>8 one factor is, are these original Nissan owners.</p> <p>9 MR. LAW: Just -- are we talking about</p> <p>10 service campaigns or goodwill now?</p> <p>11 BY MR. CALABRO:</p> <p>12 <b>Q. That's what we're clarifying. This is all --</b></p> <p>13 <b>(TALKING SIMULTANEOUSLY.)</b></p> <p>14 A. I'm talking --</p> <p>15 <b>Q. -- just service --</b></p> <p>16 A. I'm talking --</p> <p>17 <b>Q. -- campaign.</b></p> <p>18 A. I'm talking service campaign.</p> <p>19 <b>Q. Okay. And let's just clarify. I'm going to</b></p> <p>20 <b>say it again.</b></p> <p>21 A. Yeah.</p> <p>22 <b>Q. In this one question.</b></p> <p>23 A. Okay.</p> <p>24 <b>Q. For service campaign, the factors that you</b></p> <p>25 <b>stated were: Safety, cost, incident rate, who the</b></p>	<p style="text-align: right;">Page 256</p> <p>1 to make sure. I thought we were confused over</p> <p>2 goodwill and -- but with respect to the service</p> <p>3 campaign consideration after 2011, can you say</p> <p>4 whether cost was the -- the principal factor?</p> <p>5 A. I can just say it was a factor.</p> <p>6 <b>Q. Okay. Incident rate was also a factor you</b></p> <p>7 <b>said --</b></p> <p>8 A. It --</p> <p>9 <b>Q. Was a consideration --</b></p> <p>10 A. Yes.</p> <p>11 <b>Q. -- when determining whether to do a service</b></p> <p>12 <b>campaign?</b></p> <p>13 A. Correct.</p> <p>14 <b>Q. How did the incident rate affect the</b></p> <p>15 <b>decision?</b></p> <p>16 A. It was one of the factors in the decision. I</p> <p>17 don't --</p> <p>18 <b>Q. But how -- I mean, did it affect it --</b></p> <p>19 A. -- quite understand.</p> <p>20 <b>Q. In -- as in making you want to do a campaign</b></p> <p>21 <b>or counseling against a campaign? How did it factor</b></p> <p>22 <b>into the analysis?</b></p> <p>23 A. It was just a factor.</p> <p>24 <b>Q. But, in what way?</b></p> <p>25 A. It gave us a scope of what the affected</p>

64 (Pages 253 to 256)

<p style="text-align: right;">Page 257</p> <p>1 population may be in market.</p> <p>2 <b>Q. Okay. And because if it was a high incident</b></p> <p>3 <b>rate, it would be a lot of work to do? Is that how</b></p> <p>4 <b>it factored in?</b></p> <p>5 A. No.</p> <p>6 <b>Q. Well, that's what I'm trying to understand.</b></p> <p>7 A. It's just a known entity, right. So we knew</p> <p>8 there was going to be "X" number of vehicles that we</p> <p>9 potentially would need to fix if we went out with</p> <p>10 the service campaign.</p> <p>11 <b>Q. Okay.</b></p> <p>12 A. We chose to close and offer a cheaper field</p> <p>13 fix to the market.</p> <p>14 <b>Q. Yeah. I'm just -- and I'm -- I'm sorry if</b></p> <p>15 <b>this seems repetitive. I just want to make sure I'm</b></p> <p>16 <b>crystalizing what you're saying.</b></p> <p>17 A. Okay.</p> <p>18 <b>Q. So that I understand it --</b></p> <p>19 A. Okay.</p> <p>20 <b>Q. -- and then it's on the record. Because I</b></p> <p>21 <b>just want to understand why this was closed out</b></p> <p>22 <b>after looking at it for several years after</b></p> <p>23 <b>determining safety was not an issue. And you said</b></p> <p>24 <b>that the incident rate was a factor, right? But I</b></p> <p>25 <b>don't understand whether it counts in favor of doing</b></p>	<p style="text-align: right;">Page 259</p> <p>1 question is, leaving all of the factors the same,</p> <p>2 all of the other factors are the same, and if the</p> <p>3 only factor that's different is that it's more</p> <p>4 expensive, it's less likely that Nissan is going to</p> <p>5 do the campaign.</p> <p>6 MR. LAW: I object. The question is</p> <p>7 argumentative and vague.</p> <p>8 THE WITNESS: For each case, it's</p> <p>9 different. I can't say in general, cost is going to</p> <p>10 be the driving factor.</p> <p>11 BY MR. CALABRO:</p> <p>12 <b>Q. Please don't change the question. I'm not</b></p> <p>13 <b>asking you if that's the driving qu- -- driving</b></p> <p>14 <b>factor.</b></p> <p>15 All I'm saying is if we're isolating it to</p> <p>16 one factor, if we assume all of the other factors</p> <p>17 are the same, but it's less expensive to do it,</p> <p>18 this is the only factor that's changing -- if it's</p> <p>19 less expensive to do it, Nissan is more likely to</p> <p>20 do it, than if it's more expensive?</p> <p>21 MR. LAW: Well, question lacks</p> <p>22 foundation. It's overbroad.</p> <p>23 THE WITNESS: In your scenario where</p> <p>24 everything else is equal?</p> <p>25 ///</p>
<p style="text-align: right;">Page 258</p> <p>1 a service campaign or counts against doing a service</p> <p>2 campaign.</p> <p>3 We know that cost -- I mean, I think you'd</p> <p>4 admit that the higher the cost is, the less likely</p> <p>5 a company would do a service campaign.</p> <p>6 MR. LAW: Object. Misstates his</p> <p>7 testimony.</p> <p>8 THE WITNESS: Yeah. That's not always</p> <p>9 the case. That's not true.</p> <p>10 BY MR. CALABRO:</p> <p>11 <b>Q. Well, I mean --</b></p> <p>12 A. Each scenario is case by case.</p> <p>13 <b>Q. Sure. It may depend on a basket of factors,</b></p> <p>14 <b>but if we're looking at one factor, all else being</b></p> <p>15 <b>equal, if it's less expensive to do something, it's</b></p> <p>16 <b>more likely you're going to do it, than if it's more</b></p> <p>17 <b>expensive, right?</b></p> <p>18 A. Not in every case.</p> <p>19 <b>Q. Okay. Tell me how it would not be the case.</b></p> <p>20 A. The other factors are dependent. You've</p> <p>21 got --</p> <p>22 (TALKING SIMULTANEOUSLY.)</p> <p>23 <b>Q. Well, that's what I mean --</b></p> <p>24 A. Satisfaction --</p> <p>25 <b>Q. Sir, you're changing the question. The</b></p>	<p style="text-align: right;">Page 260</p> <p>1 BY MR. CALABRO:</p> <p>2 <b>Q. Right.</b></p> <p>3 A. Sure. If cost -- if the cost is lower, you</p> <p>4 may have a better shot to do it.</p> <p>5 <b>Q. Like it's --</b></p> <p>6 A. In your scenario, that is a -- that is a</p> <p>7 scenario --</p> <p>8 <b>Q. That's all I'm trying to get at. I'm just</b></p> <p>9 <b>trying to understand how the factors work.</b></p> <p>10 A. Okay.</p> <p>11 <b>Q. So I'm trying to understand the same thing,</b></p> <p>12 <b>incident rate. So if everything else is the same,</b></p> <p>13 <b>but the incident rate is higher -- and I'm just --</b></p> <p>14 <b>I'm just thinking out loud to give you an</b></p> <p>15 <b>understanding of what I'm trying to ask, I could see</b></p> <p>16 <b>an incident rate factoring in two different ways.</b></p> <p>17 I could see it saying, well, look, there's a</p> <p>18 lot of people that are having this problem, so</p> <p>19 maybe it was our fault. Maybe we should do it</p> <p>20 right by fixing it, because a lot of people are</p> <p>21 having this problem.</p> <p>22 Whereas, if it was a lower incident rate,</p> <p>23 we're like, look, this -- this really doesn't seem</p> <p>24 like it's our fault. It's these other people doing</p> <p>25 it. So we really don't need to get involved.</p>

65 (Pages 257 to 260)

<p>Page 261</p> <p>1 That's one way incident rate -- you could see, just 2 as a laymen, not at Nissan, could look at it. 3 I could also see people at Nissan saying, 4 well, this is a high incident rate. It's going to 5 be more expensive, right? Maybe we shouldn't do 6 this, versus a low incident rate, being, well, it's 7 not that expensive so we can do it. 8 What I'm trying to figure out is, at Nissan, 9 when you say "incident rate" is a factor, how does 10 it factor in? What is the thinking as to how 11 incident rate determines or affects whether a 12 service campaign is done? 13 MR. LAW: Okay. Move to strike all the 14 wind up colloquy, and -- and object to the balance 15 of the question itself is vague and ambiguous. 16 THE WITNESS: Incident rate is a factor 17 to show you how many customers could be affected 18 from the issue. So in this case, it -- it gave us 19 that number. That number drove -- and we had to 20 decide, okay, it cost this much. What value are we 21 going to get from doing this service campaign, 22 right? So we played all of the factors in -- into 23 play and chose to close the issue and -- and apply 24 an AFR in the market. 25 ///</p>	<p>Page 263</p> <p>1 Q. Anything else? 2 A. Those are the main ones. 3 Q. Okay. So we talked about safety, cost, 4 incident rates. These were all factors that went 5 into Nissan's decision whether or not to do a 6 service campaign. Also, was the factor that you 7 stated as ownership, who owns these cars, whether or 8 not they're the original owner? 9 A. Correct. That's correct. 10 Q. How does that factor into the analysis? 11 A. From a customer loyalty standpoint, we would 12 want to get, you know, the primary customer is -- 13 would be considered as a high consideration to do 14 some sort of proactive action. 15 Q. Right. Because if they were the original 16 buyers, we want them to come back and buy again? 17 A. Yeah. They're Ni- -- considered Nissan 18 owners, right. 19 Q. Was there any analysis to determine what 20 percentage of these vehicles, the L31 and A34s, as 21 of 2014, were still owned by the original owners? 22 A. No specific analysis that I know of. 23 Q. Any estimates that Nissan is working off of? 24 A. No, not specific numbers. 25 Q. So how did this factor -- well, strike the</p>
<p>Page 262</p> <p>1 BY MR. CALABRO: 2 Q. Okay. I think you said something along the 3 lines of, what value are we going to get out of the 4 campaign. What value is Nissan going to get out of 5 the campaign. Did you say that? 6 A. Well, when -- when you consider for customer 7 satisfaction issue, you do consider, okay, what's 8 the positive we will gain versus the negative in the 9 market. 10 Q. And what was the positive Nissan looked at by 11 doing one of these campaigns? 12 A. For this specific campaign? 13 Q. For this specific campaign? What are these 14 various options that you were considering? 15 A. Well, you consider, you know, what kind of 16 gain are you going to get for customer satisfaction 17 really is the main one. 18 Q. Okay. 19 A. The main concern. 20 Q. What were the cons? 21 A. There were several. I mean, so, you know, 22 you're bringing in everybody to -- to do an action, 23 so that's a -- a high number of people that some of 24 which may not even be affected for the concern. The 25 cost was considered as -- as a con, so...</p>	<p>Page 264</p> <p>1 question. 2 Did this factor then, whether it was the 3 original owners, play a significant role in 4 determining whether the service campaign would be 5 launched with respect to this issue? 6 A. I would say it was a -- it was an item that 7 we considered. 8 Q. Okay. But no real numerical or 9 quantitative -- 10 A. There was no quantitative numbers. 11 Q. Analysis? 12 And then the last factor that you mentioned 13 was the number of the vehicles on the road or how 14 long they were going to be on the road; is that 15 right? 16 A. Right. Scrap rate. 17 Q. Scrap rate? 18 A. Uh-huh. 19 Q. Did Nissan do any analysis or investigation 20 into how many years they expected these cars to be 21 on the road? 22 A. Well, I think you saw on some of the data 23 previously, the -- the retention rate that was 24 mentioned, so those numbers were considered in our 25 analysis.</p>

66 (Pages 261 to 264)

<p style="text-align: right;">Page 265</p> <p>1 <b>Q. So we saw numbers in the 80 percent range</b> 2 <b>depending on the model year, right?</b> 3 A. Yeah, I think for 2002. 4 <b>Q. Right. So that's still a high retention</b> 5 <b>rate, right?</b> 6 A. Well -- 7 MR. LAW: I'll object. That's 8 argumentative and vague. 9 THE WITNESS: 80 percent, it's a number, 10 so... 11 BY MR. CALABRO: 12 <b>Q. Well more than half of the cars -- more than</b> 13 <b>3/4 of the cars are still on the road, right?</b> 14 A. According to the data, correct. 15 <b>Q. Any reason to doubt that data?</b> 16 A. I don't have any reason to doubt that data. 17 <b>Q. Okay. So how does that factor into the</b> 18 <b>analysis then, because there are still 3/4 of the</b> 19 <b>cars out there? Does that count more in favor of a</b> 20 <b>service campaign or less in favor of a service</b> 21 <b>campaign?</b> 22 A. It's -- it's just a factor. It -- there's 23 no more -- each -- each case -- it's case by case, 24 so... 25 <b>Q. Okay. So were there any other incidents --</b></p>	<p style="text-align: right;">Page 267</p> <p>1 <b>a service can- -- service campaign or however, but</b> 2 <b>was there a determination about whether we should</b> 3 <b>use goodwill money to repair this -- this issue?</b> 4 A. To my knowledge, the goodwill budget was 5 allotted by the business rules that already existed. 6 <b>Q. On an individual basis, you mean?</b> 7 A. Yeah, case by case. 8 <b>Q. Right. So my question is a slightly</b> 9 <b>different one.</b> 10 <b>Did -- was there ever a -- an analysis or a</b> 11 <b>consideration as to whether goodwill money should</b> 12 <b>be used to just do all of the repairs for these</b> 13 <b>vehicles as a class?</b> 14 A. There was some discussion about that, but as 15 far as like a thorough analysis, I don't recall. 16 <b>Q. What was the discussion about that?</b> 17 A. Just, should we do it or not. 18 <b>Q. Okay. And what was decided?</b> 19 A. The decision was, goodwill budget would stay 20 on its normal business course and apply the AFR to 21 the market. 22 <b>Q. Why did they decide not to use goodwill</b> 23 <b>money?</b> 24 A. We chose to stand by our business rules. 25 <b>Q. Which -- which business rules were they?</b></p>
<p style="text-align: right;">Page 266</p> <p>1 <b>or, strike the question. Were there any other</b> 2 <b>principal factors that Nissan considered when</b> 3 <b>deciding whether or not to do service campaigns?</b> 4 <b>We talked about safety, cost, incident rate,</b> 5 <b>whether it's the original owner, and the number of</b> 6 <b>vehicles out on the road.</b> 7 A. Those are the main items to my memory. 8 <b>Q. Okay. And then based on the analysis of</b> 9 <b>those factors as we just discussed, Nissan decided</b> 10 <b>not to do a service campaign?</b> 11 A. We chose not to do a service campaign and 12 offer the AFR. 13 <b>Q. Okay. Now, separate question was dealing</b> 14 <b>with goodwill.</b> 15 <b>What are the factors that go into</b> 16 <b>determining whether Nissan will pay for certain</b> 17 <b>repairs out of the goodwill budget?</b> 18 A. I think there's a criteria of -- age of the 19 vehicle, mileage on the vehicle, service history of 20 that customer with our dealerships, and are they the 21 original owner, also. 22 <b>Q. Okay. Now, was there a management or</b> 23 <b>corporate level analysis to determine whether</b> 24 <b>goodwill should be used to pay for these repairs?</b> 25 <b>Not as a service campaign -- maybe as manifested as</b></p>	<p style="text-align: right;">Page 268</p> <p>1 A. So within 10 years, if the -- if the customer 2 met the certain criteria we just outlined, there was 3 potential for corporate support from goodwill. 4 <b>Q. But, again, it's going to be on a</b> 5 <b>case-by-case basis?</b> 6 A. Yes, it is. 7 <b>Q. All right. So in -- in 2014, there were</b> 8 <b>still a lot of cars, L3L1 [sic] -- or sorry, L31 and</b> 9 <b>A34 that were still within that ten-year in service</b> 10 <b>date, right?</b> 11 A. There would have been, correct, yeah. 12 <b>Q. But was any effort made to contact any of</b> 13 <b>these customers and say, hey, you know, we'd be</b> 14 <b>willing to consider applying goodwill funds to get</b> 15 <b>this issue resolved?</b> 16 A. There was no mass proactive outreach to those 17 customers. 18 <b>Q. Did Nissan reach out to any customer</b> 19 <b>proactively?</b> 20 A. No my knowledge, no. 21 <b>Q. And now it's a broader question.</b> 22 <b>Did Nissan reach out proactively to any</b> 23 <b>customers about this particular concern at all?</b> 24 A. From F- -- from F- -- from my perspective, 25 no.</p>

67 (Pages 265 to 268)

<p>Page 269</p> <p>1 Q. Okay. And do you know of anyone at Nissan --</p> <p>2 and I'm not asking as the Nissan representative. Do</p> <p>3 you know of anyone at Nissan that proactively</p> <p>4 reached out to customers to notify them of this</p> <p>5 issue?</p> <p>6 A. Not to my knowledge.</p> <p>7 MR. CALABRO: All right. We'll mark as</p> <p>8 Exhibit 32, document Bates Number 4425 through 54.</p> <p>9 (WHEREUPON, the above-mentioned</p> <p>10 document was marked as Exhibit Number 32.)</p> <p>11 THE WITNESS: Okay.</p> <p>12 BY MR. CALABRO:</p> <p>13 Q. Let me just make sure I'm on the same page</p> <p>14 with you. What's the last Bates number on your</p> <p>15 exhibit?</p> <p>16 A. This one.</p> <p>17 Q. Pages -- the last page?</p> <p>18 A. Five -- oh, sorry.</p> <p>19 Q. That's all right.</p> <p>20 A. 4454.</p> <p>21 Q. Okay, good. All right. Sir, do you</p> <p>22 recognize this as an e-mail from Craig Nangle to you</p> <p>23 and Carrie Simpson, March of 2015?</p> <p>24 A. Yes.</p> <p>25 Q. All right. Any reason to doubt that you</p>	<p>Page 271</p> <p>1 A. I see that.</p> <p>2 Q. That was the case that you were deposed in,</p> <p>3 in the other case?</p> <p>4 A. I -- I -- if that's the one they are talking</p> <p>5 about here, yes.</p> <p>6 Q. Okay. But you do recall that there were --</p> <p>7 in the 2005 -- 2015 timeframe that all of a sudden,</p> <p>8 there was a lot of social media interest in the</p> <p>9 Altima floor board issue?</p> <p>10 A. I was aware of the increase in the CA cases.</p> <p>11 Q. Okay. Turn to page 4448. There's some more</p> <p>12 background on the L31 Altima floor pan rust issue,</p> <p>13 do you see that?</p> <p>14 A. I see that.</p> <p>15 Q. The second bullet point, 100 percent of the</p> <p>16 1.24 million Altimas manufactured during this time</p> <p>17 period could have -- potentially be affected. Do</p> <p>18 you see that?</p> <p>19 A. I see that statement, yes.</p> <p>20 Q. I'm interested in the very last bullet point</p> <p>21 in that section. It says, these repairs are in</p> <p>22 the av- -- are in the averaging 3,000 to 4,000</p> <p>23 \$4.06K in customer pay expenses. Do you see that?</p> <p>24 A. I see that, correct.</p> <p>25 Q. Now, is that referencing the old NTCA- --</p>
<p>Page 270</p> <p>1 received this e-mail and the attachments in the form</p> <p>2 we provided here as Exhibit 32?</p> <p>3 A. No reason to doubt.</p> <p>4 Q. All right. Who's is Craig Nangle? Nangle?</p> <p>5 Is it Nangle?</p> <p>6 A. Nangle.</p> <p>7 Q. Yeah. What's -- who's Craig Nangle?</p> <p>8 A. So Craig, at this time, was the manager of</p> <p>9 a -- of after sales, recalls, and campaign group</p> <p>10 who is dealer support.</p> <p>11 Q. All right. I'm principally interested in the</p> <p>12 PowerPoint that starts on 4445.</p> <p>13 All right. Do you recognize this</p> <p>14 PowerPoint?</p> <p>15 A. Not -- not off of the top -- I don't know.</p> <p>16 Q. Okay. Let's just look at the pag- -- the</p> <p>17 slide on 4445 --</p> <p>18 A. Okay.</p> <p>19 Q. And it says there are two recent issues</p> <p>20 resulting in media coverage increases in consumer</p> <p>21 affair cases. Do you see that?</p> <p>22 A. I do, yes.</p> <p>23 Q. One was the L32 Altima floor pan rust issue,</p> <p>24 and the other one was the dashboard issue. Do you</p> <p>25 see that?</p>	<p>Page 272</p> <p>1 A. NTCNA.</p> <p>2 Q. NTCNA rec- -- recommended procedure where the</p> <p>3 rusted part is removed and then the new part -- new</p> <p>4 patch is put in?</p> <p>5 A. Yes, that's what it's referencing.</p> <p>6 Q. All right. Now, we saw that the cost of that</p> <p>7 was \$1,400 per repair, right?</p> <p>8 A. Correct.</p> <p>9 Q. So do you have anything to dispute that</p> <p>10 customers are paying 3,000 to 4.6K for that kind of</p> <p>11 repair?</p> <p>12 A. So with customers pay, it -- it varies, but</p> <p>13 oftentimes, it will be above the allotted time and</p> <p>14 pay from Nissan to the dealer for that repair.</p> <p>15 Q. So when -- well, first of all, the question</p> <p>16 was, is there any facts that you have to dispute</p> <p>17 that customers were paying as much as 3,000 to 4.6K</p> <p>18 for that repair?</p> <p>19 A. I don't have any facts to dispute that.</p> <p>20 Q. Okay. That 1,400 number that we were talking</p> <p>21 about earlier, the cost of the repair, was that the</p> <p>22 actual cost to Nissan and/or the dealer of doing the</p> <p>23 repair or is that the suggested retail price of that</p> <p>24 repair?</p> <p>25 A. That's the cost that was allotted to the</p>

68 (Pages 269 to 272)

<p style="text-align: right;">Page 273</p> <p>1 dealer, had this been a warranty -- under warranty.</p> <p>2 So we would have paid the dealer that amount for the</p> <p>3 repair under warranty.</p> <p>4 <b>Q. Okay. Do you remember the ex- -- the general</b></p> <p>5 <b>timeframe? We were talking about 2014, but do -- do</b></p> <p>6 <b>you recall the timeframe in which vital issues</b></p> <p>7 <b>decided we're not going to do the service campaign?</b></p> <p>8 A. So that was at -- as we talked about, that</p> <p>9 was at the TM meeting in March of '14.</p> <p>10 <b>Q. March of '14, very good.</b></p> <p>11 <b>All right. On the next page Bates Number</b></p> <p>12 <b>4449, it says, Next steps down there. FQI</b></p> <p>13 <b>David Schaller working with NTCNA to obtain a</b></p> <p>14 <b>D-Note for prototype parts. Do you see that?</b></p> <p>15 A. I do, yes.</p> <p>16 <b>Q. All right. I don't know that we've talked</b></p> <p>17 <b>about Mr. Schaller before. What was his role?</b></p> <p>18 A. He's an FQI engineer in the body group.</p> <p>19 <b>Q. Okay. Working on the rust issue?</b></p> <p>20 A. Among other things, yes.</p> <p>21 <b>Q. Okay. He references there a D note, what's</b></p> <p>22 <b>that?</b></p> <p>23 A. That's the design note for the AFR. We've</p> <p>24 been talking about the kit for the plates.</p> <p>25 <b>Q. Why do they call it a D-note?</b></p>	<p style="text-align: right;">Page 275</p> <p>1 <b>Q. Do you remember generally the time?</b></p> <p>2 A. Probably around March, April timeframe, I</p> <p>3 would say.</p> <p>4 <b>Q. 2015?</b></p> <p>5 A. 2015, yes.</p> <p>6 <b>Q. All right. So as we see in Exhibit 32,</b></p> <p>7 <b>there's some mention of social media discussing this</b></p> <p>8 <b>issue. It's sitting right here.</b></p> <p>9 MR. CALABRO: So Exhibit 33 is Bates</p> <p>10 NNA3245 through 53.</p> <p>11 (WHEREUPON, the above-mentioned</p> <p>12 document was marked as Exhibit Number 33.)</p> <p>13 THE WITNESS: Okay.</p> <p>14 BY MR. CALABRO:</p> <p>15 <b>Q. All right. You'll see that the -- the</b></p> <p>16 <b>beginning chain -- e-mail chain in this is, if you</b></p> <p>17 <b>look at page 3252 to 53, there's a reference --</b></p> <p>18 <b>strike the question.</b></p> <p>19 <b>If you look at page 3252 to 3253, there's an</b></p> <p>20 <b>e-mail from NBC news producer asking about the</b></p> <p>21 <b>floor pan rust issue. Do you see that?</b></p> <p>22 A. I do, yes.</p> <p>23 <b>Q. She identifies herself as a producer working</b></p> <p>24 <b>with Tom Costello with NBC news. Do you see that?</b></p> <p>25 A. I see that, yes.</p>
<p style="text-align: right;">Page 274</p> <p>1 A. Design note.</p> <p>2 <b>Q. Oh, okay.</b></p> <p>3 A. Yeah.</p> <p>4 <b>Q. Sorry if I missed that.</b></p> <p>5 A. That's all right.</p> <p>6 <b>Q. And then it says, Purchasing will use service</b></p> <p>7 <b>parts specifications to obtain a current</b></p> <p>8 <b>manufacturing and tooling costs to evaluate the</b></p> <p>9 <b>business case for this repair. Do you know what</b></p> <p>10 <b>that means?</b></p> <p>11 A. Yes. So that says, once the D-note is</p> <p>12 released, purchasing would then look for a vendor</p> <p>13 to -- to source -- to create the part.</p> <p>14 <b>Q. As of this time in 2015, March of 2015, had</b></p> <p>15 <b>there been a decision to -- for sure manufacturing</b></p> <p>16 <b>these parts so that the low cost repair that had</b></p> <p>17 <b>been talked about, would actually be implemented?</b></p> <p>18 A. In 2015?</p> <p>19 <b>Q. Uh-huh.</b></p> <p>20 A. Yes.</p> <p>21 <b>Q. Okay. Do you remember when that decision was</b></p> <p>22 <b>made, when they were going to actually go forward</b></p> <p>23 <b>with production on this repair kit?</b></p> <p>24 A. I don't remember the specific date that was</p> <p>25 decided as to when we were going to go.</p>	<p style="text-align: right;">Page 276</p> <p>1 <b>Q. All right. You're aware that there was an</b></p> <p>2 <b>NBC story about the rust issue about this time,</b></p> <p>3 <b>March/April of 2015?</b></p> <p>4 A. I am aware of the story, yes.</p> <p>5 MR. LAW: I'm going to object. I</p> <p>6 believe that this line is outside of the -- the</p> <p>7 scope that -- I think the request, and certainly our</p> <p>8 response. I know that we agreed to put someone up</p> <p>9 on that with respect to the Facebook post about</p> <p>10 why -- why there wasn't recontact, but that's my</p> <p>11 objection.</p> <p>12 BY MR. CALABRO:</p> <p>13 <b>Q. There was -- you were aware, in fact, that</b></p> <p>14 <b>NBC news were doing a story on the rust issue?</b></p> <p>15 A. I'm -- I'm aware, yeah.</p> <p>16 <b>Q. And I know we talked a little bit about this,</b></p> <p>17 <b>and I just want to clarify the point. Do you know</b></p> <p>18 <b>whether Nissan had approved of the production of the</b></p> <p>19 <b>repair parts prior to the NBC news story?</b></p> <p>20 A. I don't know the exact date that it was</p> <p>21 decided.</p> <p>22 <b>Q. So you don't know whether it was before or</b></p> <p>23 <b>after the NBC news --</b></p> <p>24 A. I know when it was released.</p> <p>25 <b>Q. When was it released?</b></p>

69 (Pages 273 to 276)

<p style="text-align: right;">Page 277</p> <p>1 A. It was July of 2015.</p> <p>2 <b>Q. Okay. So that's after the NBC news story,</b></p> <p>3 <b>right?</b></p> <p>4 A. That date is after.</p> <p>5 <b>Q. You can put that one aside?</b></p> <p>6 MR. CALABRO: We'll mark as Exhibit</p> <p>7 34 -- this is hard to read, but it's a document with</p> <p>8 Bates Number NNA5204 through 5206.</p> <p>9 (WHEREUPON, the above-mentioned</p> <p>10 document was marked as Exhibit Number 34.)</p> <p>11 THE WITNESS: Okay.</p> <p>12 BY MR. CALABRO:</p> <p>13 <b>Q. All right, sir. This is an e-mail from</b></p> <p>14 <b>Mr. Boulton to James Hunter and you along with</b></p> <p>15 <b>others, May of 2015, correct, sir?</b></p> <p>16 A. That's correct.</p> <p>17 <b>Q. All right. This is after the NBC news story.</b></p> <p>18 A. To my knowledge, yes, it is after.</p> <p>19 <b>Q. All right. Any reason to doubt that you</b></p> <p>20 <b>received the e-mail and the attachment in the form</b></p> <p>21 <b>provided here as Exhibit 34?</b></p> <p>22 A. No.</p> <p>23 <b>Q. All right. Again, this is data from Polk; is</b></p> <p>24 <b>that right?</b></p> <p>25 A. That's correct.</p>	<p style="text-align: right;">Page 279</p> <p>1 the latest condition for the floor pan.</p> <p>2 <b>Q. Were you doing the presentation?</b></p> <p>3 A. I was not.</p> <p>4 <b>Q. Who was doing the presentation?</b></p> <p>5 A. This would have been -- I'm not sure I know</p> <p>6 who it was, potentially my director.</p> <p>7 <b>Q. Did you and Ms. Simpson prepare this</b></p> <p>8 <b>attachment?</b></p> <p>9 A. We helped -- we helped to prepare this, yes.</p> <p>10 <b>Q. Okay. Do you know if this was the final</b></p> <p>11 <b>version of the attac- -- of the presentation?</b></p> <p>12 A. I cannot say just looking at it.</p> <p>13 <b>Q. Okay. So we can -- it is showing that this</b></p> <p>14 <b>is a June 12, 2015 -- well, strike the question.</b></p> <p>15 <b>Any doubt that you received the e-mail and</b></p> <p>16 <b>the attachment in the form attached here as Exhibit</b></p> <p>17 <b>35?</b></p> <p>18 A. No doubt.</p> <p>19 <b>Q. All right. So the e-mail is dated June 12,</b></p> <p>20 <b>2015, and the PowerPoint is dated June 12, 2015.</b></p> <p>21 <b>Was it -- is it fair to say that this is accurate as</b></p> <p>22 <b>of June 12, 2015, the information in here?</b></p> <p>23 A. Yes.</p> <p>24 <b>Q. All right. Now, here on page 40589, listed</b></p> <p>25 <b>here is an option for a campaign. After the media</b></p>
<p style="text-align: right;">Page 278</p> <p>1 <b>Q. All right. IHS, I guess, bought Polk or is</b></p> <p>2 <b>it the other way around?</b></p> <p>3 A. That's correct. IHS bought Polk --</p> <p>4 <b>Q. All right.</b></p> <p>5 A. -- right.</p> <p>6 <b>Q. All right. So the attachment is, in fact,</b></p> <p>7 <b>Polk data; is that right?</b></p> <p>8 A. That's correct.</p> <p>9 <b>Q. All right. And this one is showing, if you</b></p> <p>10 <b>look at just Missouri's Altimas, L31s as of January</b></p> <p>11 <b>2015, there are sill the 12,235 cars on the road?</b></p> <p>12 A. That's correct.</p> <p>13 <b>Q. Now, if you look at -- well, I can't find</b></p> <p>14 <b>this document, so we'll move on to the next one.</b></p> <p>15 MR. CALABRO: We'll mark as Exhibit 35</p> <p>16 document Bates Number NNA4586 through 98.</p> <p>17 (WHEREUPON, the above-mentioned</p> <p>18 document was marked as Exhibit Number 35.)</p> <p>19 BY MR. CALABRO:</p> <p>20 <b>Q. All right, sir. You recognize this document?</b></p> <p>21 A. Yes.</p> <p>22 <b>Q. What do you recognize this document to be.</b></p> <p>23 A. This was a document that was prepared in</p> <p>24 preparation for a request to present at our</p> <p>25 chairman's meeting in Americus (phonetic) to update</p>	<p style="text-align: right;">Page 280</p> <p>1 <b>coverage that was on NBC news and Facebook, was</b></p> <p>2 <b>there a reconsideration as to whether there should</b></p> <p>3 <b>be a service campaign?</b></p> <p>4 A. In June of '15, we were asked to present</p> <p>5 current situations and potential options for our</p> <p>6 service campaign or TSB to our executives.</p> <p>7 <b>Q. Okay. And was that in -- in response to the</b></p> <p>8 <b>media attention?</b></p> <p>9 A. I can't say that it was.</p> <p>10 <b>Q. Okay. But the directive was, we actually do</b></p> <p>11 <b>want a service campaign option to consider?</b></p> <p>12 A. The directive was to update the data for</p> <p>13 potential service campaign options.</p> <p>14 <b>Q. Okay. Now, when you're looking at this slide</b></p> <p>15 <b>on the cons, it does show high campaign cost, right?</b></p> <p>16 A. It does, correct.</p> <p>17 <b>Q. The first thing listed, right?</b></p> <p>18 A. That's correct.</p> <p>19 <b>Q. And the total cost is referenced as</b></p> <p>20 <b>18.5 million to 73 million depending on deductible</b></p> <p>21 <b>amount; is that right?</b></p> <p>22 A. That's correct.</p> <p>23 <b>Q. And that amount is from the next slide on</b></p> <p>24 <b>page 4590; is that right?</b></p> <p>25 A. That's correct.</p>

70 (Pages 277 to 280)

<p>Page 281</p> <p>1 Q. And that's how those number got calculated?</p> <p>2 A. Yes.</p> <p>3 Q. Now, this campaign cost is obviously</p> <p>4 significantly different than the first estimate at</p> <p>5 \$750 million, right?</p> <p>6 A. It is; that's correct.</p> <p>7 Q. And after this review, what was decided with</p> <p>8 respect to this option -- option 2 for service</p> <p>9 campaign?</p> <p>10 A. It -- it was decided against option 2 and</p> <p>11 decided to continue forward with the appropriate</p> <p>12 field repair release.</p> <p>13 Q. Is this the time period -- is this the date</p> <p>14 in which approval to do the repair kit was made?</p> <p>15 A. No. The -- the repair kit was in action in</p> <p>16 parallel with this.</p> <p>17 Q. Okay. But we don't know exactly when that</p> <p>18 decision was made; is that right?</p> <p>19 A. I -- I don't have recollection of that, no.</p> <p>20 Q. It was around the time of March, April --</p> <p>21 A. That's my understanding.</p> <p>22 Q. -- 2015?</p> <p>23 A. Early '15, yes.</p> <p>24 Q. About the same time that the Nissan -- the</p> <p>25 NBC report was?</p>	<p>Page 283</p> <p>1 Q. Yeah. So I just want you to confirm whether</p> <p>2 or not this is an excerpt of the V -- FQA V vital</p> <p>3 issues database?</p> <p>4 A. It is.</p> <p>5 Q. Okay. And if you'll look at that about 3/4</p> <p>6 of the way down, there's for the L31, A34 floor pan</p> <p>7 rust issue?</p> <p>8 A. Correct.</p> <p>9 Q. All right. It shows that -- that just --</p> <p>10 there's a column that says, Decision.</p> <p>11 A. Correct.</p> <p>12 Q. No action; is that right?</p> <p>13 A. That's correct.</p> <p>14 Q. And I just wanted to make sure -- this is</p> <p>15 dated May of 2017, at least the cover e-mail is. Is</p> <p>16 it true that as of May 2017, Nissan decided to take</p> <p>17 no action with respect to --</p> <p>18 A. Yeah. No proactive field action in the</p> <p>19 market. No service campaign.</p> <p>20 MR. CALABRO: Okay. All right. Why</p> <p>21 don't we go off the record and take a quick break.</p> <p>22 THE VIDEOGRAPHER: We're off the record</p> <p>23 at 4:06 p.m.</p> <p>24 (Short break.)</p> <p>25 THE VIDEOGRAPHER: We are back on the</p>
<p>Page 282</p> <p>1 A. I don't know if it was before or after that.</p> <p>2 Q. It was around that time.</p> <p>3 A. I can't say for concern.</p> <p>4 Q. Okay. You can set that aside.</p> <p>5 MR. CALABRO: Let's mark as Exhibit 36</p> <p>6 document with Bates Number NNA3803 through 15.</p> <p>7 (WHEREUPON, the above-mentioned</p> <p>8 document was marked as Exhibit Number 36.)</p> <p>9 THE WITNESS: Okay.</p> <p>10 BY MR. CALABRO:</p> <p>11 Q. All right. Now, this is a doc- -- e-mail</p> <p>12 from you to various folks dated May 2017, right,</p> <p>13 sir?</p> <p>14 A. That's correct.</p> <p>15 Q. Okay. Any reason to doubt that you received</p> <p>16 the e-mail or you sent the e-mail and the</p> <p>17 attachments as -- as provided here in Exhibit 36?</p> <p>18 A. No reason to doubt.</p> <p>19 Q. All right. What we've done is, we have</p> <p>20 excerpted parts of what I think is the FQA vital</p> <p>21 issues database, right there, if you'll look at</p> <p>22 that, with Bates number 3805.</p> <p>23 A. 3805.</p> <p>24 Q. Yeah.</p> <p>25 A. Yep.</p>	<p>Page 284</p> <p>1 record at 4:12 p.m.</p> <p>2 MR. CALABRO: All right, sir. We'll</p> <p>3 mark as Exhibit 37 document with Bates Number</p> <p>4 NNA2725 and 26.</p> <p>5 (WHEREUPON, the above-mentioned</p> <p>6 document was marked as Exhibit Number 37.)</p> <p>7 THE WITNESS: Okay.</p> <p>8 BY MR. CALABRO:</p> <p>9 Q. All right. You'll see this is an e-mail</p> <p>10 from, is it Koji Ikeda?</p> <p>11 A. Yes.</p> <p>12 Q. To Ari Schifftan and others, including</p> <p>13 yourself, in October of 2013.</p> <p>14 A. Correct.</p> <p>15 Q. Any reason to doubt that you were on this</p> <p>16 e-mail chain as provided here in Exhibit 37?</p> <p>17 A. No.</p> <p>18 Q. All right. So Mr. Ikeda -- is it Ikeda?</p> <p>19 A. I'm not quite sure. We'll call him Ikeda.</p> <p>20 Q. Okay. His name is misspelled in the from,</p> <p>21 but I guess it's different in the signature block.</p> <p>22 Mr. Ikeda identifies himself as a pilot of</p> <p>23 CFT Number 2.</p> <p>24 A. So he's essentially the leader of that CFT,</p> <p>25 yeah.</p>

71 (Pages 281 to 284)



<p>Page 285</p> <p>1 Q. Okay. And they're talking about validating 2 the L31 floor repair process, right? 3 A. Correct. 4 Q. Okay. So his first question is, life 5 extension by this pic- -- repair. I think this 6 repair method is very frugal on the other hand I'm 7 afraid how long you can guarantee the life for 8 corrosion on repair area. Did you already estimate 9 how long it is. Do you see that? 10 A. I did, yes. 11 Q. And was there a guaranteed life for the 12 repair? 13 A. My understanding design confirmed that this 14 would be appropriate for the remaining life of the 15 vehicle. 16 Q. Was there's a -- a -- a -- a number of years 17 associated with the repair? 18 A. I don't specifically remember a number of 19 years. 20 Q. When you say it would be appropriate for the 21 life of the vehicle, what's considered the life of 22 the vehicle? 23 A. The remaining life of the vehicle. 24 Q. What -- okay. But what's the life of the 25 vehicle for the L31?</p>	<p>Page 287</p> <p>1 of the repair method is corrosion removal by 2 dealership. 3 First of all, do you agree that the key 4 point of the repair is corrosion removal by 5 dealership? 6 A. Corrosion removal was included in the repair 7 AFR. It's one of the points. I don't know if it's 8 the point -- it's one of the points. 9 Q. And let me just focus on that for a minute. 10 When can you say that corrosion removal is still 11 part of the repair, it's not removing the rusted out 12 panel or the portion that's rusted out; is it? 13 A. It's cleaning it up essentially with some 14 primer, and basically steel brushes. 15 Q. Okay. But, I mean, there's still rust there? 16 A. We tried to clean it up as much as we could 17 before covering it -- 18 Q. Okay. 19 A. -- according to the TSB. 20 Q. If the -- and he goes on in this e-mail, if 21 the corrosion still exists, corrosion may oc- -- 22 occur again after repairmen. How much do you 23 estimate the risk of it. Do you see that? 24 A. I do. 25 Q. All right. And was their an answer to that?</p>
<p>Page 286</p> <p>1 A. Typically a 10 to 15 year range. 2 Q. Same for the Nissan Maxima A34? 3 A. Yes. 4 Q. On Number 2 there it says, repair patch side. 5 If the perforation occurs on entire area of the 6 floor panel -- I think he says, is the size of 7 repair patch big enough? Is there enough overlap to 8 healthy panel, he says in parens. What was the 9 answer to that? 10 A. My understanding was, yes, it was. It was 11 confirmed. 12 Q. How much of an overlap was there between 13 where the rust ends and the healthy part of the 14 panel begins? 15 A. That piece basically would fit in the entire 16 block section to where those two panels meet. So it 17 essentially covered the entire area. 18 Q. Okay. Question 3, Communication to customer. 19 This question may be asked to James. How long do you 20 guarantee the quality of repair area to customers 21 who pay \$200. Was there an answer to that? 22 A. I think going back to number 1, with our 23 estimation that this was a lifetime repair, this was 24 of no concern. 25 Q. Okay. For repair quality work, the key point</p>	<p>Page 288</p> <p>1 A. I think our conclusion was it was a very low 2 risk and we haven't seen any concerns since the 3 release of the AFR for an after issue concern. 4 Q. Has there been any field investigation to 5 gauge the durability or reliability of the repair? 6 A. This was all confirmed with design prior to 7 release. 8 Q. Okay. 9 A. No specific field investigations. 10 Q. In the year since the repair was issued, 11 which I think was in 2015? 12 A. Yes. 13 Q. Is that right? 14 So it's now been over three years, has there 15 been any effort to go out and say, Hey, let's go 16 look at these cars? Is this repair appearing to 17 hold? Has there been any investigation like that? 18 A. There's been no proactive investigation; 19 however, we are monitoring the market for any 20 customer claims after. 21 Q. Have you received any customer claims after? 22 A. Not to my knowledge, no. 23 Q. On 5 he says, Water tightness. It is very 24 detailed question. Do you secure the water 25 tightness around riv-nut? If not, sealing should be</p>

72 (Pages 285 to 288)

<p style="text-align: right;">Page 289</p> <p>1 added around it. Do you see --</p> <p>2 A. Yes.</p> <p>3 Q. What was the response to that?</p> <p>4 A. I'm not aware of the response to that</p> <p>5 specific question.</p> <p>6 Q. Okay. And -- and these questions were</p> <p>7 relating to the exact repair that was ultimately</p> <p>8 approved and issued in 2015?</p> <p>9 A. That's correct.</p> <p>10 Q. And, again, the repair is the same for both</p> <p>11 the L31 Altima and the A34 Maxima?</p> <p>12 A. That's correct.</p> <p>13 MR. CALABRO: All right. We'll mark as</p> <p>14 Exhibit 38 documents with Bates Number NNA3429</p> <p>15 through 38.</p> <p>16 (WHEREUPON, the above-mentioned</p> <p>17 document was marked as Exhibit Number 38.)</p> <p>18 BY MR. CALABRO:</p> <p>19 Q. I'm -- I'm only going to ask you about the</p> <p>20 very first page.</p> <p>21 A. Okay.</p> <p>22 Q. You're welcome to look at the rest if you</p> <p>23 want --</p> <p>24 A. Sure.</p> <p>25 Q. -- but let me know when you're ready.</p>	<p style="text-align: right;">Page 291</p> <p>1 Q. And he says, R40 needs to set this part up as</p> <p>2 a normal service part. We cannot give them a</p> <p>3 one-time quantity. This part may be needed for many</p> <p>4 years in the future. Do you see that?</p> <p>5 A. I see that, yes.</p> <p>6 Q. All right. Do you understand what that's a</p> <p>7 reference to, this part may be needed for many years</p> <p>8 in the future?</p> <p>9 A. I think Bruce's point is here we may need --</p> <p>10 depending on the incident rate, we may need more</p> <p>11 parts than just a one -- Tohru is asking for a</p> <p>12 one -- one shot, you know, here's your 2000 parts</p> <p>13 and finished. Bruce's point is, there maybe a need</p> <p>14 for future service parts in the future.</p> <p>15 Q. Is that as this issue continues to, you know,</p> <p>16 present itself and manifest over time -- people</p> <p>17 really start ordering these repair kits?</p> <p>18 A. Potentially, as customers would come in,</p> <p>19 there might be a need for, you know, for more in the</p> <p>20 future.</p> <p>21 Q. Got it, okay. We're done with that one.</p> <p>22 MR. CALABRO: Exhibit 39 will be</p> <p>23 document Bates Numbered NNA5065 through 80.</p> <p>24 (WHEREUPON, the above-mentioned</p> <p>25 document was marked as Exhibit Number 39.)</p>
<p style="text-align: right;">Page 290</p> <p>1 A. I'm ready.</p> <p>2 Q. All right. So if you look at this middle</p> <p>3 e-mail, April 21, 2015 from Bruce Ripko.</p> <p>4 A. Uh-huh.</p> <p>5 Q. Do you know who that is?</p> <p>6 A. Yes.</p> <p>7 Q. I mean, he's identified as the North America</p> <p>8 par- -- service parts supply manager.</p> <p>9 A. He was -- he was the supply chain management</p> <p>10 manager at the time of this e-mail.</p> <p>11 Q. And he's writing to Tohru Kanasaki.</p> <p>12 A. Yes.</p> <p>13 Q. Do you know who that is?</p> <p>14 A. I do.</p> <p>15 Q. Who's that?</p> <p>16 A. He, at this time was at NNA, as part of the</p> <p>17 campaign operation and implementation teams.</p> <p>18 Q. Okay. at the very bottom of his e-mail is</p> <p>19 NML, parens, R40. Do you see that?</p> <p>20 A. I do.</p> <p>21 Q. What's R40?</p> <p>22 A. R40 is another division in NML that's</p> <p>23 responsible for supply chain --</p> <p>24 Q. Okay.</p> <p>25 A. -- parts procurement.</p>	<p style="text-align: right;">Page 292</p> <p>1 THE WITNESS: Okay.</p> <p>2 BY MR. CALABRO:</p> <p>3 Q. All right. Are you familiar with these</p> <p>4 documents, sir, yes?</p> <p>5 A. I am.</p> <p>6 Q. All right. The cover is an e-mail from Chris</p> <p>7 Nangle to you July 7, 2015; is that right?</p> <p>8 A. Yes, from Craig Nangle, correct.</p> <p>9 Q. What did I say?</p> <p>10 A. Chris.</p> <p>11 Q. Oh, sorry.</p> <p>12 A. That's okay.</p> <p>13 Q. Craig Nangle, okay.</p> <p>14 Any reason to doubt you received this e-mail</p> <p>15 and the attachments in the form provided as Exhibit</p> <p>16 39?</p> <p>17 A. No doubt.</p> <p>18 MR. CALABRO: Okay. I'm also going to</p> <p>19 mark as Exhibit 40, documents with Bates Number</p> <p>20 NNA1701 through 13.</p> <p>21 (WHEREUPON, the above-mentioned</p> <p>22 document was marked as Exhibit Number 40.)</p> <p>23 MR. CALABRO: And Exhibit 41 is document</p> <p>24 Bates Number NNA1699 through 1700.</p> <p>25 (WHEREUPON, the above-mentioned</p>

73 (Pages 289 to 292)

Page 293	Page 295
<p>1 document was marked as Exhibit Number 41.)</p> <p>2 BY MR. CALABRO:</p> <p>3 <b>Q. Okay, sir. Are you familiar with Exhibits</b></p> <p>4 <b>41- -- 40 and 41?</b></p> <p>5 A. Yes.</p> <p>6 <b>Q. All right. Are you satisfied that 40 and 41</b></p> <p>7 <b>are the color versions of the attachments to</b></p> <p>8 <b>Exhibit 39?</b></p> <p>9 A. Yes.</p> <p>10 <b>Q. All right. Could you identify Exhibit 40 for</b></p> <p>11 <b>me please.</b></p> <p>12 A. Forty is the technical service bulletin</p> <p>13 released for the appropriate field repair for the</p> <p>14 Altima, Maxima floor pan.</p> <p>15 <b>Q. This is the final version that was issued,</b></p> <p>16 <b>correct?</b></p> <p>17 A. It's my understanding, yes.</p> <p>18 <b>Q. Okay. And could you do -- could you also</b></p> <p>19 <b>identify Exhibit 41?</b></p> <p>20 A. Yes. This is the announcement to the Nissan</p> <p>21 dealerships that this repair and kit were available</p> <p>22 for use.</p> <p>23 <b>Q. Okay. So if we look at Exhibit 39 again,</b></p> <p>24 <b>that was an e-mail from Mr. Nangle confirming that</b></p> <p>25 <b>these documents -- what we've marked as a technical</b></p>	<p>1 A. There may be some surface rust still in that</p> <p>2 area, yes.</p> <p>3 <b>Q. All right. If you look at 1704 also, that's</b></p> <p>4 <b>the page before, this is showing that that hole</b></p> <p>5 <b>where all that rust came from is actually patched up</b></p> <p>6 <b>with this repair kit, correct?</b></p> <p>7 A. Yeah. That hole would be covered by this</p> <p>8 kit.</p> <p>9 <b>Q. And so that patch covers both the hole and</b></p> <p>10 <b>then it covers up the rust that's on the floor pan</b></p> <p>11 <b>itself?</b></p> <p>12 A. It would have covered the affected area.</p> <p>13 <b>Q. If you turn to 1709 there's a figure 7.</b></p> <p>14 A. Yes.</p> <p>15 <b>Q. It says, Yellow color has been used for</b></p> <p>16 <b>illustrative purposes to indicate an area that</b></p> <p>17 <b>application is optional based on the size of rust</b></p> <p>18 <b>perforation. If the rust perforation area is</b></p> <p>19 <b>extensive, parens, large, adhesive should not be</b></p> <p>20 <b>applied here. Do you see that?</b></p> <p>21 A. I do.</p> <p>22 <b>Q. Why is that?</b></p> <p>23 A. Essentially there was no -- that would</p> <p>24 indicate an area that there was no surface to glue.</p> <p>25 So we recommended to leave that area blank without</p>
Page 294	Page 296
<p>1 service -- service bulletin as Exhibit 40 and the</p> <p>2 repair kit bulletin that we've identified as Exhibit</p> <p>3 <b>41, were, in fact, released into the field, July 6,</b></p> <p>4 <b>2015.</b></p> <p>5 A. That's correct.</p> <p>6 <b>Q. And that's true, right? These were --</b></p> <p>7 A. That is true, yes.</p> <p>8 <b>Q. Let's look first at Exhibit 40. Now, you'll</b></p> <p>9 <b>see at the front page it references both the 2002</b></p> <p>10 <b>and 2006 Altima and the 2004 to 2008 Maxima; is that</b></p> <p>11 <b>right sir?</b></p> <p>12 A. That's correct.</p> <p>13 <b>Q. So this bulletin applies both -- to both</b></p> <p>14 <b>vehicles, the L31 and A34?</b></p> <p>15 A. Correct.</p> <p>16 <b>Q. Same exact repair procedure, correct?</b></p> <p>17 A. Yes, correct.</p> <p>18 <b>Q. Okay. If you'll turn to page 1705, you'll</b></p> <p>19 <b>see figure 3 there --</b></p> <p>20 A. Uh-huh.</p> <p>21 <b>Q. -- and figure 4. So under the procedures for</b></p> <p>22 <b>this, the rusted out area isn't removed. It's as</b></p> <p>23 <b>you said, scrubbed?</b></p> <p>24 A. It's cleaned.</p> <p>25 <b>Q. But there's still some rust there?</b></p>	<p>1 the -- the Fusor material.</p> <p>2 <b>Q. Was there any efforts made to sort of fill in</b></p> <p>3 <b>that hole that had developed?</b></p> <p>4 A. This was -- it was -- it was covered. The</p> <p>5 hole with covered by this.</p> <p>6 <b>Q. Okay. All right. And so this Exhibit 140</b></p> <p>7 <b>[sic] is what Nissan intended folks in the field to</b></p> <p>8 <b>rely on when repairing this rust issue?</b></p> <p>9 A. This is the instructions given to our</p> <p>10 dealers, yes.</p> <p>11 <b>Q. Okay. And then let's look at 1 -- sorry,</b></p> <p>12 <b>Exhibit 41.</b></p> <p>13 A. Okay.</p> <p>14 <b>Q. And, again, this applies equally to both the</b></p> <p>15 <b>Altima and the Maxima?</b></p> <p>16 A. That's correct.</p> <p>17 <b>Q. All right. Now, if you'll look at this first</b></p> <p>18 <b>table where it says, Part information description.</b></p> <p>19 A. Yes.</p> <p>20 <b>Q. All right. And it gives the part number and</b></p> <p>21 <b>the quantities. Do you see that?</b></p> <p>22 A. I do.</p> <p>23 <b>Q. There's a column that says, Dealer net and</b></p> <p>24 <b>MSRP; is that right?</b></p> <p>25 A. That's right.</p>

74 (Pages 293 to 296)

<p>Page 297</p> <p>1 Q. So is it correct to say that the cost to the 2 dealer from Nissan is \$64.71? 3 A. That's correct. 4 Q. And this was Nissan's actual cost to create 5 the parts that we see listed here? 6 A. This was the parts -- this was the pricing of 7 the parts by our parts pricing group, after review 8 of -- with purchasing. 9 Q. So does this include a profit margin for 10 Nissan? 11 A. The profit margin is included for the dealer 12 on the MSRP. 13 Q. Okay. I under- -- I understand that -- we'll 14 get there in just a minute. I'm talking now about 15 the dealer price, what the dealer pays Nissan. 16 Does the \$64.71 represent Nissan's actually 17 cost of these parts or does the \$64.71 included a 18 profit margin for Nissan? 19 A. I'm not aware of any profit margin related to 20 this specific part. 21 Q. Are you saying that you don't think there is 22 one or are you saying that you're not aware either 23 way? 24 A. I'm saying I'm not aware for this specific 25 part.</p>	<p>Page 299</p> <p>1 Nissan is paying for the campaign -- 2 A. Uh-huh. 3 Q. -- does it also provide a dealer net price 4 and a MSRP for the parts? 5 A. Yes. 6 Q. Okay. If you look at the second page, the 7 very last sentence says, One, Refer to the 8 electronic parts catalog, parens, FAST, and use the 9 front floor assembly part Number -- provides the 10 number, as the primary failed part. Do you see 11 that? 12 A. I do, yes. 13 Q. What is that referencing, primary failed 14 part? 15 A. Primary failed part, so the first five digits 16 of any Nissan Part number -- 17 Q. Uh-huh. 18 A. -- is the PFP. 19 Q. Okay. 20 A. So it's in -- that's the family for the floor 21 pan across any -- any model. 22 Q. Okay. But as far as primary failed part, 23 what they're saying is, this is in fact a failed 24 part and it has to be replaced? 25 A. That nomenclature is -- is -- is just for</p>
<p>Page 298</p> <p>1 Q. Either way? 2 A. Either way. 3 Q. Okay. But this is suggesting that the dealer 4 gross, ups the cost of these parts to \$113.53? 5 A. That increase is managed by state laws, for 6 parts markup. So by law, we have to give them a 7 margin on the part. 8 Q. Okay. Even for something like this that's to 9 fix -- 10 A. Any parts that we sell to the dealer. 11 Q. Okay. And does Nissan have to distribute 12 parts to the dealers? 13 A. For this case Nissan did distribute parts to 14 the dealers from our supplier, yes. 15 Q. It doesn't have to do that though -- 16 MR. LAW: I'll object. Question is 17 vague. 18 BY MR. CALABRO: 19 Q. That's what I'm asking. Is -- is this the 20 only way that Nissan can distribute parts to 21 customer? 22 A. It's the typical way. I'm not aware of 23 another way that we -- we distribute parts to 24 dealers. 25 Q. When Nissan engages in a service campaign or</p>	<p>Page 300</p> <p>1 warranty coding purposes. It doesn't mean that 2 that's indicating a failure of a part. 3 Q. Well, that's interesting. What do you mean 4 by that, it's on- -- it's for warranty purposes? 5 I -- I thought you said that most of these aren't 6 covered by warranty? 7 A. Let me backup. 8 Q. Sure. 9 A. Let's see, fir- -- I want to make sure I 10 understand this statement. 11 Q. Yeah -- 12 A. So I can explain it correctly. 13 Q. -- please do. I mean, I think that one is 14 also referenced up here in this chart. 15 A. So, if a ve- -- if a vehicle came in and they 16 were under warranty. 17 Q. Got it. 18 A. By some chance, they would use this part 19 number to claim with that operation code -- 20 Q. Got it. 21 A. -- and that's how we would be able to track 22 any repairs done under warranty. 23 Q. Okay. So this isn't saying that all repairs 24 are covered by a warranty. It's just saying to the 25 extent that they are, this is how you should claim</p>

75 (Pages 297 to 300)

Page 301	Page 303
<p>1 them?</p> <p>2 A. This is how you should claim it.</p> <p>3 <b>Q. Got it.</b></p> <p>4 MR. CALABRO: We'll mark as Exhibit 42</p> <p>5 document with Bates number NNA2567 through 69.</p> <p>6 (WHEREUPON, the above-mentioned</p> <p>7 document was marked as Exhibit Number 42.)</p> <p>8 BY MR. CALABRO:</p> <p>9 <b>Q. Ready, sir.</b></p> <p>10 A. Yes.</p> <p>11 <b>Q. All right. You'll see this is an e-mail</b></p> <p>12 <b>chain involving you and Joe Murphy; is that right,</b></p> <p>13 <b>sir?</b></p> <p>14 A. Yes.</p> <p>15 <b>Q. All right. Any reason to doubt that you</b></p> <p>16 <b>participated in this e-mail chain and received and</b></p> <p>17 <b>sent e-mails in the form provided here as</b></p> <p>18 <b>Exhibit 42?</b></p> <p>19 A. No.</p> <p>20 <b>Q. In the e-mail at the bottom of the first page</b></p> <p>21 <b>from you to Mr. Murphy, March 23, 2012, you write,</b></p> <p>22 <b>Joe, Just following up regarding the additional</b></p> <p>23 <b>vehicle inspections that we discussed at the Meeting</b></p> <p>24 <b>below. Has NCI been able to obtain any new</b></p> <p>25 <b>information?</b></p>	<p>1 through both layers of the floor pan, right? Both</p> <p>2 the structural layer and the -- and the actual floor</p> <p>3 pan?</p> <p>4 A. These two photos at the top, show only</p> <p>5 through the top layer -- oh I'm sorry, to the -- to</p> <p>6 the reinforcement, you're correct. That's correct.</p> <p>7 <b>Q. Okay. Same thing with the third picture,</b></p> <p>8 <b>right?</b></p> <p>9 A. The third picture I do not see -- oh sorry,</p> <p>10 here?</p> <p>11 <b>Q. Yeah, right there.</b></p> <p>12 A. Third picture, yes.</p> <p>13 <b>Q. Okay. Now, do you know what that silver</b></p> <p>14 <b>rectangle is on the next set of pictures that you're</b></p> <p>15 <b>looking at there?</b></p> <p>16 A. That appears to be a piece of butyl adhesive.</p> <p>17 <b>Q. All right. So that's the patch that</b></p> <p>18 <b>presumably was not applied correctly on this car?</b></p> <p>19 A. That appears to be the patch, correct.</p> <p>20 <b>Q. All right. And then you see all of the rust</b></p> <p>21 <b>emanating from, sort of that area?</b></p> <p>22 A. Yes, I observed the rust.</p> <p>23 <b>Q. Now, on this one -- you'll see -- at the</b></p> <p>24 <b>bottom one that you're looking at, it looks like</b></p> <p>25 <b>there's another hole over to the left, whether it's</b></p>
Page 302	Page 304
<p>1 And Mr. Murphy responds, It has been</p> <p>2 difficult as most dealers do not want to</p> <p>3 disassemble their customer vehicles for fear of</p> <p>4 creating a squeak/rattle issue or perhaps breaking</p> <p>5 something because of the age of the vehicle. Do</p> <p>6 you see that?</p> <p>7 A. I see that.</p> <p>8 <b>Q. All right. What was the information you were</b></p> <p>9 <b>asking Mr. Murphy for?</b></p> <p>10 A. We were asking for pictures from both the</p> <p>11 inside and the -- and the underfloor of the -- the</p> <p>12 vehicles as part of our inspection pro- -- process.</p> <p>13 <b>Q. Okay. And he was saying, it's been difficult</b></p> <p>14 <b>to do that because dealers don't want to take these</b></p> <p>15 <b>things apart.</b></p> <p>16 A. According to his -- his statement there, yes,</p> <p>17 that's correct.</p> <p>18 <b>Q. All right. Now, attached is some pictures</b></p> <p>19 <b>he's provided.</b></p> <p>20 A. Yes.</p> <p>21 <b>Q. And this shows some examples of the</b></p> <p>22 <b>perforation that exists because of this issue,</b></p> <p>23 <b>right?</b></p> <p>24 A. This shows some examples, correct.</p> <p>25 <b>Q. And this is showing, like, holes all the way</b></p>	<p>1 south to the 3-inch mark it looks like on the tape</p> <p>2 measure at the top, there's a hole there.</p> <p>3 A. I see it, uh-huh.</p> <p>4 <b>Q. Do you know what that is?</b></p> <p>5 A. I do not. Those are -- I'll say, those are</p> <p>6 typically -- round holes like that in a body are</p> <p>7 typically for tooling or for location.</p> <p>8 <b>Q. I'm seeing a reference in several of these</b></p> <p>9 <b>documents to a website that's JP.Nissan.biz.</b></p> <p>10 A. JP.</p> <p>11 <b>Q. Where it looks like documents are sometimes</b></p> <p>12 <b>available. Is that an in- -- company intranet or</b></p> <p>13 <b>something?</b></p> <p>14 A. I -- can I --</p> <p>15 <b>Q. You're welcome to?</b></p> <p>16 A. You show me.</p> <p>17 <b>Q. Yes.</b></p> <p>18 MR. CALABRO: So we'll mark Exhibit 43</p> <p>19 document with Bates Number NNA2261.</p> <p>20 (WHEREUPON, the above-mentioned</p> <p>21 document was marked as Exhibit Number 43.)</p> <p>22 THE WITNESS: So this -- this specific</p> <p>23 website is G2B is a system for design note release</p> <p>24 and approval used by our design team.</p> <p>25 ///</p>

76 (Pages 301 to 304)

<p>Page 305</p> <p>1 BY MR. CALABRO: 2 <b>Q. G2B is?</b> 3 A. G2B, yeah. 4 <b>Q. And when it says G2B NDC?</b> 5 A. I don't know what that specifically means. 6 <b>Q. Okay.</b> 7 A. But the server, I believe is housed in Japan, 8 and that's why you've got the JP.Nissan.biz. 9 <b>Q. And that's what I was going to ask. The</b> 10 <b>JP.Nissan.biz, is that like a company intranet?</b> 11 A. That would be a company intranet site, 12 correct. 13 <b>Q. And what kinds of documents are stored there?</b> 14 A. I can only speak to this specifically. This 15 would be a G2B. I'm not aware of what other 16 documents would be stored there. 17 <b>Q. When we talked about alliance connect</b> 18 <b>earlier, is that separate from this JP.Nissan.biz</b> 19 <b>intranet?</b> 20 A. Yes. 21 <b>Q. Okay. And we then we said earlier that the</b> 22 <b>e-room documents are now Alliance connect?</b> 23 A. Yeah. It was just a change in server 24 essentially. 25 <b>Q. Okay. You can set that aside.</b></p>	<p>Page 307</p> <p>1 <b>Q. All right. If you'll look at the page with</b> 2 <b>Bates ending 2012, so the next page. There's a case</b> 3 <b>comment. Do you see that?</b> 4 A. I do. 5 <b>Q. If you start looking at the text in the box</b> 6 <b>there, it says CRRMV, I assume, MV reference Maria</b> 7 <b>Velente.</b> 8 A. Velente, correct. 9 <b>Q. What does CRR mean?</b> 10 A. I'm not -- I'm not familiar with that 11 acronym, but I believe it's customer representative, 12 essentially. 13 <b>Q. Okay. And so if you go down four lines, it</b> 14 <b>says, CRR-MV verified c's contact information. I'm</b> 15 <b>assuming "C" in those notes usually refers to</b> 16 <b>customer; is that right?</b> 17 A. That's correct. 18 <b>Q. And if you look in the next line, it says</b> 19 <b>check -- CRMV checked, and informed customer that</b> 20 <b>there is not VSC that is attached to VIN</b> 21 <b>information. What's VSC?</b> 22 A. It would be voluntary service campaign. 23 <b>Q. Okay. So those are the service campaigns</b> 24 <b>that we were talking about earlier today?</b> 25 A. Yes.</p>
<p>Page 306</p> <p>1 MR. CALABRO: This will be Exhibit 44 2 Bates NNA2751. I marked the wrong thing. 3 Can we go off the record for just a 4 minute? 5 THE VIDEOGRAPHER: We're off the record 6 at 4:39 p.m. 7 (Short break.) 8 THE VIDEOGRAPHER: We are back on the 9 record at 4:42 p.m. 10 MR. CALABRO: We'll mark as Exhibit 44 11 document with Bates number NNA2211 through 19. 12 (WHEREUPON, the above-mentioned 13 document was marked as Exhibit Number 44.) 14 BY MR. CALABRO: 15 <b>Q. Let me know when you're ready, sir.</b> 16 A. (Witness reviews document.) 17 Okay, I'm ready. 18 <b>Q. All right. You recognize this document, sir?</b> 19 A. I have seen this document, yes. 20 <b>Q. What is this document?</b> 21 A. This appears to be a case file from our 22 consumer affairs folks. 23 <b>Q. And this is, what, an export from your</b> 24 <b>database, consumer affairs database?</b> 25 A. Yes.</p>	<p>Page 308</p> <p>1 <b>Q. Okay. If you turn the page to the page</b> 2 <b>ending in 14 -- 2214.</b> 3 A. Okay. 4 <b>Q. And the middle block by Chris Felts, there's</b> 5 <b>acronym RCAS. Remind me what that is.</b> 6 A. That is a -- from my understanding, that's a 7 department NCA for cases that are escalated. 8 <b>Q. And DLR, is that dealer?</b> 9 A. Yes. 10 <b>Q. And spoke to SM, service manager?</b> 11 A. Service manager. 12 <b>Q. Okay, set that aside.</b> 13 MR. CALABRO: Okay. All right. We'll 14 mark as Exhibit 45 -- let me get this out here. 15 Document with Bates Number NNA1986 through 2205. 16 (WHEREUPON, the above-mentioned 17 document was marked as Exhibit Number 45.) 18 BY MR. CALABRO: 19 <b>Q. I'm just going to ask you to -- to -- so</b> 20 <b>generally about this document, to identify this</b> 21 <b>document, if you don't mind.</b> 22 A. Okay. To generally identify this? 23 <b>Q. I'm sorry?</b> 24 A. Generally -- generally identify. 25 <b>Q. Yeah, what is this?</b></p>

77 (Pages 305 to 308)

<p>Page 309</p> <p>1 A. This -- this appears to be cases from CA that</p> <p>2 ha something to do with the floor pan.</p> <p>3 <b>Q. Okay. And this is information that's</b></p> <p>4 <b>maintained on Nissan's own databases?</b></p> <p>5 A. That's correct.</p> <p>6 <b>Q. Is it information that Nissan employees or</b></p> <p>7 <b>agents record?</b></p> <p>8 A. Our agents record this, correct.</p> <p>9 <b>Q. Okay. And then this is what an export from</b></p> <p>10 <b>your database looks like?</b></p> <p>11 A. If we were to pull these details, yes.</p> <p>12 <b>Q. Okay. You can set that aside.</b></p> <p>13 MR. CALABRO: Mark as Exhibit 46</p> <p>14 document with Bates Number 1618 through 1656.</p> <p>15 (WHEREUPON, the above-mentioned</p> <p>16 document was marked as Exhibit Number 46.)</p> <p>17 BY MR. CALABRO:</p> <p>18 <b>Q. This is 46.</b></p> <p>19 MR. CALABRO: And we'll also mark as</p> <p>20 Exhibit 47 a document with Bates number NNA1680</p> <p>21 through 1696.</p> <p>22 (WHEREUPON, the above-mentioned</p> <p>23 document was marked as Exhibit Number 47.)</p> <p>24 BY MR. CALABRO:</p> <p>25 <b>Q. And I'm going to ask you to identify these</b></p>	<p>Page 311</p> <p>1 <b>Q. Okay.</b></p> <p>2 A. But yes --</p> <p>3 <b>Q. This represent the project?</b></p> <p>4 A. Correct.</p> <p>5 <b>Q. And the project is -- is listed here on</b></p> <p>6 <b>the -- actually, the second page. So then the MP --</b></p> <p>7 <b>MREP status, what's that?</b></p> <p>8 A. That's the market response.</p> <p>9 <b>Q. And are those -- is that information in this</b></p> <p>10 <b>document too --</b></p> <p>11 A. Yes.</p> <p>12 <b>Q. -- somewhere? Where is that? Where does</b></p> <p>13 <b>that start? Oh, does it start at 1624?</b></p> <p>14 A. Yes.</p> <p>15 <b>Q. All right. And then it provides the</b></p> <p>16 <b>technical report starting at 1628? Technical</b></p> <p>17 <b>reports, I guess, I should say.</b></p> <p>18 A. The TR start from 1628.</p> <p>19 <b>Q. Now what's IPS?</b></p> <p>20 A. IPS is --</p> <p>21 <b>Q. Incident Parts Shipment?</b></p> <p>22 A. Shipment -- correct. That's right.</p> <p>23 <b>Q. That starts at 1650?</b></p> <p>24 A. Let me confirm. Yes.</p> <p>25 <b>Q. And these are parts shipped from the field to</b></p>
<p>Page 310</p> <p>1 <b>documents, sir.</b></p> <p>2 A. Those documents are printouts of the projects</p> <p>3 from the G-CAR system related to the floor pan rust</p> <p>4 concern on L31.</p> <p>5 <b>Q. So when it says PRO status, that's relating</b></p> <p>6 <b>to the overall project of this incident, the floor</b></p> <p>7 <b>pan rust with the L31s?</b></p> <p>8 A. That's related to this specific project,</p> <p>9 so...</p> <p>10 <b>Q. When you say this specific -- you're pointing</b></p> <p>11 <b>at something.</b></p> <p>12 A. Yeah, sorry.</p> <p>13 <b>Q. Okay, yeah.</b></p> <p>14 A. So --</p> <p>15 <b>Q. Just for the record so it's clear.</b></p> <p>16 A. I apologize. So for example NNAPRO20110767,</p> <p>17 the documents underneath are part of that folder and</p> <p>18 the project is like a folder. And this folder was</p> <p>19 officially closed in G-CARS on October 10 of '14.</p> <p>20 <b>Q. So do you -- do you see this NAPRO20110767</b></p> <p>21 <b>document, is it in this Exhibit 46 here?</b></p> <p>22 A. The project itself.</p> <p>23 <b>Q. Yeah?</b></p> <p>24 A. The project is -- are these documents</p> <p>25 essentially.</p>	<p>Page 312</p> <p>1 <b>Nissan?</b></p> <p>2 A. These would have been parts from the -- from</p> <p>3 the market shipped to FQI, Nissan FQI.</p> <p>4 <b>Q. Now, when we -- and -- and let's just</b></p> <p>5 <b>continue on. REQ, what's that?</b></p> <p>6 A. REQ is a request.</p> <p>7 <b>Q. For potential safety investigation?</b></p> <p>8 A. In this case, a PSIR is a type of request,</p> <p>9 and a PSIR is to document the safety assessment done</p> <p>10 in the TMTC process.</p> <p>11 <b>Q. Okay. And that starts at 1653?</b></p> <p>12 A. Yes, that's correct.</p> <p>13 <b>Q. So when we're looking at a project back here</b></p> <p>14 <b>on 1619, when we talk about a project, is -- is this</b></p> <p>15 <b>incident of the L31 floor pan rusting, is that</b></p> <p>16 <b>itself, a project or is project something more</b></p> <p>17 <b>discreet?</b></p> <p>18 A. The -- this project was opened in 2011 as a</p> <p>19 result of the Altima floor pan. So this -- this</p> <p>20 system is used to document field information and any</p> <p>21 countermeasure safety assessment information in a</p> <p>22 central location.</p> <p>23 <b>Q. Okay. And then this is just the next part of</b></p> <p>24 <b>that information?</b></p> <p>25 A. This is the next point in the printout.</p>

78 (Pages 309 to 312)

<p>Page 313</p> <p>1 Q. And so when we talk about a project, we're</p> <p>2 talking about that investigation relating -- in this</p> <p>3 instance, to that L31 floor pan rust issues?</p> <p>4 A. Correct.</p> <p>5 Q. Okay. Is there a separate project for A34?</p> <p>6 A. Not in this case, no.</p> <p>7 Q. When you say, "this case", you mean -- do</p> <p>8 you?</p> <p>9 A. I'm not aware of a separate project for A34.</p> <p>10 Q. Okay. So when we look at 1 -- at Exhibit 47,</p> <p>11 what -- what -- is this a separate project now, that</p> <p>12 we're looking at?</p> <p>13 A. It's a new project in 2015 that was used to</p> <p>14 start the process for the review of the AFR, the</p> <p>15 bulletin.</p> <p>16 Q. And when does it show that this was opened?</p> <p>17 A. This was opened -- if you go to 1684.</p> <p>18 Q. Okay.</p> <p>19 A. This specific project was published in -- on</p> <p>20 April 20 of 2015.</p> <p>21 Q. And then if we go back to 46, when was that</p> <p>22 one opened -- that project opened? August 9, 2011?</p> <p>23 A. Been -- it was published on August 16 of</p> <p>24 2011, saved in draft in August of 9 -- August 9 of</p> <p>25 '11.</p>	<p>Page 315</p> <p>1 A. Yeah. Jim Blenkarn is a senior manager with</p> <p>2 FQI.</p> <p>3 Q. And then Alan Brock.</p> <p>4 A. Alan Brock is a manager in FQI body.</p> <p>5 Q. Okay. So when we say in Exhibit 47 that this</p> <p>6 project was opened in April of 2015, and was</p> <p>7 published on April 20, 2015, that's when the</p> <p>8 investigation began for this project?</p> <p>9 A. That was when this was opened with the</p> <p>10 intention of starting the process for the -- the</p> <p>11 BIC, which is the Bulletin Issue Control. So this</p> <p>12 is where the TSB would start the approval process --</p> <p>13 the creation and approval process.</p> <p>14 Q. Now, does the Exhibit 46 indicate that a</p> <p>15 floor pan repair kit has been authorized at any</p> <p>16 point?</p> <p>17 A. This document does not by my -- in my</p> <p>18 understanding.</p> <p>19 Q. Would Exhibit -- is that wha- -- information</p> <p>20 like that would normally be contained in this -- in</p> <p>21 this type of Exhibit 46?</p> <p>22 A. If there was a bulletin associated with this</p> <p>23 specific project, yes.</p> <p>24 Q. All right. Now, I'm drawing a distinction</p> <p>25 now between the bulletin that went out. We know</p>
<p>Page 314</p> <p>1 Q. That's what I'm confused about. What's --</p> <p>2 what was -- what's actually published? Is there a</p> <p>3 document that's published other than this?</p> <p>4 A. The project would then go live on the G-CAR</p> <p>5 system. Until then, it's going to sit -- and for --</p> <p>6 in this case, on August 9th, the engineer saved a</p> <p>7 draft.</p> <p>8 Q. Okay.</p> <p>9 A. And then it was approved and published on the</p> <p>10 16th, so then it would go public on the site.</p> <p>11 Q. On the site?</p> <p>12 A. Yes.</p> <p>13 Q. And then this was closed, looks like, October</p> <p>14 of 2014?</p> <p>15 A. Correct.</p> <p>16 Q. Now, I don't think we've talked about</p> <p>17 Gary Guzman. Do you recognize that name on 1622,</p> <p>18 the guy who opened this --</p> <p>19 A. Yes, I recognize that name.</p> <p>20 Q. What's his role?</p> <p>21 A. He's another FQI engineer.</p> <p>22 Q. What about Nick Malvasi?</p> <p>23 A. He is a previous FQI engineer, no longer with</p> <p>24 the company.</p> <p>25 Q. And Jim Blank- -- Blenkarn.</p>	<p>Page 316</p> <p>1 that went out in July of 2015.</p> <p>2 A. Yes.</p> <p>3 Q. There was also -- at some point, a decision</p> <p>4 to go ahead and start making the repair kits, right?</p> <p>5 A. Right.</p> <p>6 Q. That's what I'm trying to nail down, because</p> <p>7 we couldn't figure that out earlier. You didn't</p> <p>8 know the exact date?</p> <p>9 A. Correct.</p> <p>10 Q. Would that information be contained,</p> <p>11 normally, in one of these reports that we're looking</p> <p>12 at, these project reports?</p> <p>13 A. Not normally, no.</p> <p>14 Q. Okay. Where would that information be</p> <p>15 recorded?</p> <p>16 A. I'm not sure, to be honest.</p> <p>17 Q. Okay.</p> <p>18 A. I don't know. Sometimes, it wouldn't be.</p> <p>19 Sometimes it's verbal; sometimes an e-mail.</p> <p>20 Q. Okay. Now, when this -- sorry. I'm looking</p> <p>21 now at the first one, Exhibit 46. And I'm looking</p> <p>22 at this document history. It was --</p> <p>23 A. What page you on, please.</p> <p>24 Q. 1622.</p> <p>25 A. Okay.</p>

79 (Pages 313 to 316)



<p style="text-align: right;">Page 317</p> <p>1 Q. It was closed October 10, 2014. And then it</p> <p>2 says closed by MREP.</p> <p>3 A. Yes, the market reply.</p> <p>4 Q. And is that what we said was starting on page</p> <p>5 1653, the market reply? I'm sorry. I'm just</p> <p>6 getting confused --</p> <p>7 A. That's all right.</p> <p>8 Q. -- as to what these things are.</p> <p>9 A. 1653 is the PSIR.</p> <p>10 Q. So where's the market reply.</p> <p>11 A. 1624.</p> <p>12 Q. Now, what does this mean, market reply?</p> <p>13 A. This is the FQI closure document.</p> <p>14 Q. Is there something issued out to the field</p> <p>15 that says, We're done looking at this?</p> <p>16 A. No.</p> <p>17 Q. Why do they call it, a market reply?</p> <p>18 A. I'm not quite sure.</p> <p>19 Q. Now, if you look at page 1625, under</p> <p>20 conclusion, it says, Nissan upper management has</p> <p>21 made a business decision to not continue with this</p> <p>22 repair or provide a service part. Do you see is</p> <p>23 that?</p> <p>24 A. I do, yes.</p> <p>25 Q. Is that accurate?</p>	<p style="text-align: right;">Page 319</p> <p>1 this particular document.</p> <p>2 Q. So it's not in the PSIR?</p> <p>3 A. No.</p> <p>4 Q. But was -- and is there a reason to dispute</p> <p>5 that the conclusion of this project in October of</p> <p>6 2014, was that Nissan upper management has made a</p> <p>7 business decision to not continue with this repair</p> <p>8 or provide a service report, as of this date anyway,</p> <p>9 October of 2014?</p> <p>10 A. This is how it reads in the document, that's</p> <p>11 correct.</p> <p>12 Q. And you don't have any reason to disagree</p> <p>13 with this?</p> <p>14 A. I don't have any reason to disagree with</p> <p>15 this -- this statement. However, I do know in July</p> <p>16 of 2015, we did release the service part as</p> <p>17 originally planned.</p> <p>18 Q. Okay. And let me make sure I understand so</p> <p>19 we're all on the same page. October of 2014, this</p> <p>20 project is closed in the system with a notation that</p> <p>21 Nissan upper management has made a business decision</p> <p>22 to not continue with this repair or provide a</p> <p>23 service report.</p> <p>24 Then in March of 2015, there's some social</p> <p>25 media and NBC new reporting on that. And then in</p>
<p style="text-align: right;">Page 318</p> <p>1 A. This looks like it may have been cut and</p> <p>2 paste from a PSIR, so I'd like to confirm that.</p> <p>3 Q. Okay.</p> <p>4 A. (Witness reviews document.)</p> <p>5 It's not there because it's in an</p> <p>6 attachment. That's not -- that's not been printed</p> <p>7 out here.</p> <p>8 Q. All right. Have any of the documents that we</p> <p>9 looked at today a PSIR for this?</p> <p>10 A. We did look at that very early on, the safety</p> <p>11 assessment information would have had --</p> <p>12 Q. Oh, is that PSIR?</p> <p>13 A. Well, PSIR would have contained that</p> <p>14 attachment.</p> <p>15 Q. Okay. So that was exhibit, I believe, 3.</p> <p>16 Let me pull out Exhibit 3.</p> <p>17 A. Looks like 1616, at least the first -- the</p> <p>18 top paragraph was cut and paste.</p> <p>19 Q. Yeah --</p> <p>20 A. I don't see --</p> <p>21 Q. So you are referencing Exhibit 3 page 1616,</p> <p>22 there's that conclusion section that's been pasted</p> <p>23 into what we see at 1625.</p> <p>24 A. So I don't see that statement in here. I</p> <p>25 don't see the Nissan upper management statement in</p>	<p style="text-align: right;">Page 320</p> <p>1 July of 2015 is when -- well, in -- yeah, July of</p> <p>2 2015, this new project is opened and ultimately the</p> <p>3 repair kit and service bulletins are published to</p> <p>4 the field. Is that the right timeline?</p> <p>5 MR. LAW: Object. The question is</p> <p>6 argumentative.</p> <p>7 THE WITNESS: Generally I think that's</p> <p>8 correct, yes.</p> <p>9 BY MR. CALABRO:</p> <p>10 Q. I should note for the record actually -- I</p> <p>11 will note at 1684, this was opened in April of 2015</p> <p>12 and then the bulletin and the repair kit were</p> <p>13 launched in July of 2015, correct?</p> <p>14 A. Correct.</p> <p>15 MR. CALABRO: Okay. Mark as Exhibit 48</p> <p>16 document with Bates Number NNA3026.</p> <p>17 (WHEREUPON, the above-mentioned</p> <p>18 document was marked as Exhibit Number 48.)</p> <p>19 BY MR. CALABRO:</p> <p>20 Q. All right, sir. Are you ready to proceed?</p> <p>21 A. Yes.</p> <p>22 Q. You recognize this document?</p> <p>23 A. I do.</p> <p>24 Q. What is it?</p> <p>25 A. This is an installation -- process sheet for</p>

80 (Pages 317 to 320)

<p>Page 321</p> <p>1 installation at the manufacturing facility.</p> <p>2 <b>Q. So this is the actual instructions to the</b></p> <p>3 <b>folks on the line?</b></p> <p>4 A. That's correct.</p> <p>5 <b>Q. All right. Is this the entire process sheet?</b></p> <p>6 A. Yes, sheet one of one.</p> <p>7 <b>Q. Okay. With respect to the butyl patches that</b></p> <p>8 <b>were causing the rust in these cases, can you show</b></p> <p>9 <b>us on this diagram, which butyl patches those are.</b></p> <p>10 A. Yeah. So at the front -- the front is this</p> <p>11 way.</p> <p>12 <b>Q. So the front is --</b></p> <p>13 A. To the left-hand side.</p> <p>14 <b>Q. Okay.</b></p> <p>15 A. It's the A1 and there's an A1 at the bottom</p> <p>16 left here.</p> <p>17 <b>Q. Yep.</b></p> <p>18 A. And there's a 1 at the top. It's the first</p> <p>19 one.</p> <p>20 <b>Q. Okay. Now, if we go down and look at the</b></p> <p>21 <b>bottom, it says, element one system -- or symbol A,</b></p> <p>22 <b>I guess?</b></p> <p>23 A. Uh-huh -- yes.</p> <p>24 <b>Q. And it says there are seven of those, right?</b></p> <p>25 A. Seven patches, correct.</p>	<p>Page 323</p> <p>1 A. Correct.</p> <p>2 <b>Q. They're bigger?</b></p> <p>3 A. I -- I can't recall.</p> <p>4 <b>Q. Okay. And did -- was there any rust coming</b></p> <p>5 <b>out of the patches or the holes covered by two?</b></p> <p>6 A. No, not that we were aware of.</p> <p>7 MR. CALABRO: Okay. All right. Mark as</p> <p>8 Exhibit 49 Bates numbered NNA01595 through 1602.</p> <p>9 (WHEREUPON, the above-mentioned</p> <p>10 document was marked as Exhibit Number 49.)</p> <p>11 MR. CALABRO: Oh, sorry. And we'll also</p> <p>12 mark as Exhibit 50, document NNA10 -- 1603, 1610.</p> <p>13 (WHEREUPON, the above-mentioned</p> <p>14 document was marked as Exhibit Number 50.)</p> <p>15 BY MR. CALABRO:</p> <p>16 <b>Q. Okay. I just need you to identify these</b></p> <p>17 <b>documents, sir.</b></p> <p>18 A. These are printouts of technical reports from</p> <p>19 are G-CARS system with -- with attachments.</p> <p>20 <b>Q. All right. And so these TR numbers</b></p> <p>21 <b>correspond with the TR numbers that we saw in</b></p> <p>22 <b>Exhibit 46?</b></p> <p>23 A. I believe so, yes.</p> <p>24 <b>Q. Okay. Put those aside.</b></p> <p>25 ///</p>
<p>Page 322</p> <p>1 <b>Q. Is everywhere we see a one is a similar</b></p> <p>2 <b>patch?</b></p> <p>3 A. A similar patch, correct.</p> <p>4 <b>Q. Okay. Now, do we know sort of midway through</b></p> <p>5 <b>that diagram, there's more ones. Do you see those</b></p> <p>6 <b>where those patches go?</b></p> <p>7 A. Yes.</p> <p>8 <b>Q. Is there a double layer hole there underneath</b></p> <p>9 <b>those patches?</b></p> <p>10 A. My understanding is no.</p> <p>11 <b>Q. Okay. Same question with respect to the next</b></p> <p>12 <b>portion these ones, so the next set of ones as you</b></p> <p>13 <b>go rightward on that diagram --</b></p> <p>14 A. Same answer, no.</p> <p>15 <b>Q. Okay. And then that last one?</b></p> <p>16 A. No.</p> <p>17 <b>Q. All right. So then there's a -- is there a</b></p> <p>18 <b>different kind of patch repr- -- represented by</b></p> <p>19 <b>Number 2?</b></p> <p>20 A. Yes. You can see the difference in the part</p> <p>21 number.</p> <p>22 <b>Q. Okay. How are they different?</b></p> <p>23 A. My understanding is there's a little bit</p> <p>24 difference in shape.</p> <p>25 <b>Q. Bigger or smaller?</b></p>	<p>Page 324</p> <p>1 MR. CALABRO: Mark as Exhibit 51</p> <p>2 document with Bates number NNA4581 through 85.</p> <p>3 (WHEREUPON, the above-mentioned</p> <p>4 document was marked as Exhibit Number 51.)</p> <p>5 BY MR. CALABRO:</p> <p>6 <b>Q. I'm mainly just going to ask you to verify --</b></p> <p>7 <b>well, why don't you just go ahead and look at it.</b></p> <p>8 A. (Witness reviews document.)</p> <p>9 Okay.</p> <p>10 <b>Q. All right, sir. You'll see this is an e-mail</b></p> <p>11 <b>from Takahiro Umakoshi?</b></p> <p>12 A. Yes, correct.</p> <p>13 <b>Q. To Tohru Kanasaki, June 2015, CC'ing a bunch</b></p> <p>14 <b>of folks including you, correct?</b></p> <p>15 A. Correct.</p> <p>16 <b>Q. All right. Any doubt -- or any reason to</b></p> <p>17 <b>doubt that you received this e-mail and these</b></p> <p>18 <b>attachments as provided here in Exhibit 51?</b></p> <p>19 A. No reason to doubt.</p> <p>20 <b>Q. Now, Mr. Umakoshi -- I'm assuming it's</b></p> <p>21 <b>mister?</b></p> <p>22 A. Yeah, it is.</p> <p>23 <b>Q. Well, who's -- what's his role?</b></p> <p>24 A. At this time, he was the -- one of the -- he</p> <p>25 was the manager in body for CQ0, which is the FQAs</p>

81 (Pages 321 to 324)

<p>Page 325</p> <p>1 global parent, field quality.</p> <p>2 <b>Q. And in the body of the e-mail he's writing to</b></p> <p>3 <b>Mr. Kanasaki who I think we've discussed already, I</b></p> <p>4 <b>hope you are well. CQO had the internal meeting</b></p> <p>5 <b>today with Yuzuriha-san?</b></p> <p>6 A. Uh-huh.</p> <p>7 <b>Q. Miyashita-san?</b></p> <p>8 A. Miyashita-san.</p> <p>9 <b>Q. Miyashita-san?</b></p> <p>10 A. Yeah.</p> <p>11 <b>Q. Now, who are those guys?</b></p> <p>12 A. They are also in CQO. Miyashita-san is,</p> <p>13 essentially, the director. And Yuzuriha-san is the</p> <p>14 expert leader.</p> <p>15 <b>Q. All right. I kind of want to the Pow- -- to</b></p> <p>16 <b>the PowerPoint that we printed. That starts at</b></p> <p>17 <b>4585.</b></p> <p>18 MR. CALABRO: Is it really 5:00.</p> <p>19 MR. LAW: It's 5:12.</p> <p>20 THE WITNESS: You said 4585?</p> <p>21 BY MR. CALABRO:</p> <p>22 <b>Q. Yeah, 4585. And then there's a Pow- -- oh,</b></p> <p>23 <b>I'm sorry. There's a Pow- -- yeah, a PowerPoint at</b></p> <p>24 <b>4585. I'm primarily interested in, first of all,</b></p> <p>25 <b>there's no slide number, but it is -- it says L31 on</b></p>	<p>Page 327</p> <p>1 one would reach down to pop the fuel tank door</p> <p>2 thing?</p> <p>3 A. Yeah. I don't how -- I don't know the exact</p> <p>4 distance between the hole location and the fuel door</p> <p>5 location -- fuel door opener location.</p> <p>6 <b>Q. Is this picture representative of what this</b></p> <p>7 <b>actually looks like though? The question is, is</b></p> <p>8 <b>this picture distorted in some way?</b></p> <p>9 A. Not to my knowledge, no.</p> <p>10 <b>Q. Okay. And then look at the next side,</b></p> <p>11 <b>entitled, Mechanism.</b></p> <p>12 A. Okay.</p> <p>13 <b>Q. And, again, the picture at the top left</b></p> <p>14 <b>saying "structure", identified as structure, good</b></p> <p>15 <b>spec -- do you see that?</b></p> <p>16 A. Yes.</p> <p>17 <b>Q. That is representative of how the patch</b></p> <p>18 <b>should have been applied; is that right?</b></p> <p>19 A. That's correct.</p> <p>20 <b>Q. And then if you look underneath, that's</b></p> <p>21 <b>representative of a patch not applied correctly and</b></p> <p>22 <b>water and salt (inaudible) with the corrosion</b></p> <p>23 <b>growing?</b></p> <p>24 A. Yes. It shows the potential for the --</p> <p>25 the -- the path of the water and salt in that -- in</p>
<p>Page 326</p> <p>1 the outside at the top?</p> <p>2 A. Okay.</p> <p>3 <b>Q. Yes, right there.</b></p> <p>4 A. Mechanism?</p> <p>5 <b>Q. Yeah.</b></p> <p>6 A. Okay.</p> <p>7 <b>Q. And so it -- it -- it appears that this is</b></p> <p>8 <b>showing in the picture, what is circled in the right</b></p> <p>9 <b>in the diagram; is that right, sir?</b></p> <p>10 A. Picture, I'm sorry.</p> <p>11 <b>Q. I'm sorry. One more -- one more back.</b></p> <p>12 A. One more back, okay.</p> <p>13 <b>Q. So we're looking at the slide with the title</b></p> <p>14 <b>L31 from the outside?</b></p> <p>15 A. Yes.</p> <p>16 <b>Q. And in -- in the picture on the left is</b></p> <p>17 <b>showing what's circled in the diagram on the right;</b></p> <p>18 <b>is that right, sir?</b></p> <p>19 A. It's showing that it's the same area,</p> <p>20 correct, yes.</p> <p>21 <b>Q. Okay. Now, this picture on the left, there's</b></p> <p>22 <b>a, like, the fuel tank latch there or level there;</b></p> <p>23 <b>is that right?</b></p> <p>24 A. That's correct.</p> <p>25 <b>Q. So this hole is right there where -- where</b></p>	<p>Page 328</p> <p>1 that cross section, correct.</p> <p>2 <b>Q. And that's representative of what Nissan</b></p> <p>3 <b>believes happened?</b></p> <p>4 A. This is representative of the mechanism that</p> <p>5 we believe occurred, yes.</p> <p>6 <b>Q. If you loo- -- if you loo- -- keep flipping</b></p> <p>7 <b>pages, there's pages that start with Japanese and so</b></p> <p>8 <b>this one, for lack of a better way to describing it,</b></p> <p>9 <b>in the top-right corner, there's a purple box that</b></p> <p>10 <b>says Xk3, slash, KCE. Do you see that?</b></p> <p>11 A. I do.</p> <p>12 <b>Q. Do you know what that means or represents?</b></p> <p>13 A. XK3 I can tell you is a design group in</p> <p>14 Japan, a NTC design group.</p> <p>15 <b>Q. Okay.</b></p> <p>16 A. I do not know the meaning of KC3.</p> <p>17 <b>Q. All right.</b></p> <p>18 A. Or KCE, yes, excuse me.</p> <p>19 <b>Q. This sort of graph it looks like in the</b></p> <p>20 <b>middle with L31 there, this looks like it's</b></p> <p>21 <b>identifying when various models comes into</b></p> <p>22 <b>production; is that right or design?</b></p> <p>23 A. Potentially, yes, it's hard to say.</p> <p>24 <b>Q. Okay.</b></p> <p>25 A. Since it's in Japanese.</p>

82 (Pages 325 to 328)

<p>Page 329</p> <p>1 Q. I'm putting your Japanese skills to use here.</p> <p>2 A. Yeah. I'm not -- not -- not winning there.</p> <p>3 Q. All right. You see the -- the picture on the</p> <p>4 next slide with the purple?</p> <p>5 A. I do.</p> <p>6 Q. Do you know what this is supposed to</p> <p>7 represent?</p> <p>8 A. I do not.</p> <p>9 Q. Okay. All right. That's it.</p> <p>10 Have we discussed the acronym, FIR?</p> <p>11 A. Fuel Investigation Report.</p> <p>12 MR. CALABRO: Okay. All right. We'll</p> <p>13 mark as Exhibit 52 document Bates numbered NNA5008</p> <p>14 through 512.</p> <p>15 (WHEREUPON, the above-mentioned</p> <p>16 document was marked as Exhibit Number 52.)</p> <p>17 BY MR. CALABRO:</p> <p>18 Q. I actually only have one extra copy of this</p> <p>19 one.</p> <p>20 And let me know when you are ready, sir.</p> <p>21 A. (Witness reviews document.)</p> <p>22 Okay.</p> <p>23 Q. All right. Do you recognize this as an</p> <p>24 e-mail from Chris Geneau to you copying Joe Murphy</p> <p>25 September of 2013?</p>	<p>Page 331</p> <p>1 dealer total paid at some. So I'm not -- I'm not</p> <p>2 clear if this is warranty or warranty post goodwill.</p> <p>3 Q. Let's go through some of these column</p> <p>4 heading. Right under, sum of dealer total paid, it</p> <p>5 says, HDR AP coverage. Do you see that?</p> <p>6 A. Okay, I do.</p> <p>7 Q. What's that mean?</p> <p>8 A. Okay. Just sprung a -- sprung a memory here.</p> <p>9 Q. Okay.</p> <p>10 A. FG is goodwill.</p> <p>11 Q. Okay, great.</p> <p>12 A. So that would be, you know, the goodwill. FW</p> <p>13 would be warranty.</p> <p>14 Q. Okay.</p> <p>15 A. So they were both -- both included here.</p> <p>16 Q. Okay. What's PNC code? It's at two -- two</p> <p>17 columns over?</p> <p>18 A. Part number code.</p> <p>19 Q. Part number code.</p> <p>20 All right. So if I'm -- I'm reading this</p> <p>21 correctly, if you look at 2007 for the L31, was</p> <p>22 there a \$7,025.10 paid out as goodwill for 2002</p> <p>23 L31?</p> <p>24 A. That's correct --</p> <p>25 Q. Okay.</p>
<p>Page 330</p> <p>1 A. That's correct.</p> <p>2 Q. Any reason to doubt that you received this</p> <p>3 e-mail and these attachments in the form provided</p> <p>4 here as exhibit 52?</p> <p>5 A. No reason to doubt.</p> <p>6 Q. All right. Now, who's Chris Geneau?</p> <p>7 A. Chris Geneau worked for Joe Murphy as a</p> <p>8 warranty analyst for Nissan Canada.</p> <p>9 Q. All right. I'm more interested in the</p> <p>10 attachment.</p> <p>11 A. Okay.</p> <p>12 Q. I'm hoping that you can explain some of what</p> <p>13 this is representing.</p> <p>14 A. Let me take a look here for a minute.</p> <p>15 Q. If you look at this middle e-mail from you to</p> <p>16 Joe and -- 5009.</p> <p>17 A. Okay. So this appears to be a summary by</p> <p>18 year per model for warranty -- warranty at least,</p> <p>19 and requested to goodwill for the panel PNC code,</p> <p>20 which would have been the floor pan.</p> <p>21 Q. From the -- from the printout that we have,</p> <p>22 can you tell whether the goodwill numbers have been</p> <p>23 provided?</p> <p>24 A. That's what I -- I cannot tell, because</p> <p>25 the -- in the upper left it just says, some of</p>	<p>Page 332</p> <p>1 A. -- in the Canada market.</p> <p>2 Q. How do I know that's Canada market?</p> <p>3 A. Because this was a request from -- to Canada</p> <p>4 for their information.</p> <p>5 Q. Oh, this is all Canada, stuff?</p> <p>6 A. Yes.</p> <p>7 Q. Okay. Put that aside.</p> <p>8 Does the name Brian Long mean anything to</p> <p>9 you?</p> <p>10 A. Brian Long.</p> <p>11 Q. In the context of owner of a dataset?</p> <p>12 A. Yes. I -- I believe Brian Long was with</p> <p>13 social media at one point.</p> <p>14 Q. Oh, okay.</p> <p>15 A. I believe.</p> <p>16 Q. All right.</p> <p>17 MR. LAW: Yeah. Let's take a quick</p> <p>18 break. I also -- I want to get a time count on the</p> <p>19 record, because I think we're pushing up very close</p> <p>20 on your seven hours regardless.</p> <p>21 MR. CALABRO: Sounds good.</p> <p>22 THE VIDEOGRAPHER: Okay. We're off the</p> <p>23 record at 5:23 p.m.</p> <p>24 (Short break.)</p> <p>25 THE VIDEOGRAPHER: We are back on the</p>

83 (Pages 329 to 332)

Page 333	Page 335
<p>1 record at 5:51 p.m.</p> <p>2 MR. CALABRO: We'll mark as Exhibit 53</p> <p>3 document Bates Numbered NNA2748 through 50.</p> <p>4 (WHEREUPON, the above-mentioned</p> <p>5 document was marked as Exhibit Number 53.)</p> <p>6 THE WITNESS: Okay.</p> <p>7 BY MR. CALABRO:</p> <p>8 <b>Q. All right. Do you recognize this document,</b></p> <p>9 <b>sir?</b></p> <p>10 A. Yes.</p> <p>11 <b>Q. And what do you recognize it to be?</b></p> <p>12 A. Looks like an e-mail from Jessica Sears to</p> <p>13 myself with an attachment entitled A34, L31 floor</p> <p>14 pan cost estimate matrix.</p> <p>15 <b>Q. All right. Any reason to dispute that you</b></p> <p>16 <b>received the e-mail in the form attached -- I'm</b></p> <p>17 <b>sorry, in the form provided here with the attachment</b></p> <p>18 <b>in Exhibit 53?</b></p> <p>19 A. No.</p> <p>20 <b>Q. Okay. Now, we talked a little bit about this</b></p> <p>21 <b>Polk data. This is one of the exhibits I couldn't</b></p> <p>22 <b>find earlier, but I'd like to just have you turn to</b></p> <p>23 <b>the attachment and see if you can make heads or</b></p> <p>24 <b>tails of what this is showing here? It looks like</b></p> <p>25 <b>on the left side, there is an average yearly</b></p>	<p>1 her information.</p> <p>2 (TALKING SIMULTANEOUSLY.)</p> <p>3 <b>Q. So is that .6224, is that a percentage --</b></p> <p>4 A. That's -- that's.</p> <p>5 <b>Q. 62 percent?</b></p> <p>6 A. I read that as the percentage, 62 percent.</p> <p>7 <b>Q. And then is it 62 percent of what?</b></p> <p>8 A. It's not clear in this document if -- what --</p> <p>9 what models -- if this is all or if it's a section</p> <p>10 of the vehicles.</p> <p>11 <b>Q. You don't know either way?</b></p> <p>12 A. I don't know it either way just on the</p> <p>13 context of what I'm looking at here.</p> <p>14 <b>Q. Sure. If you look on the right-hand side,</b></p> <p>15 <b>it's showing surface rust total, total number of</b></p> <p>16 <b>vehicles, and then estimated number on the road. Do</b></p> <p>17 <b>you that?</b></p> <p>18 A. I see that, yes.</p> <p>19 <b>Q. And do you know whether that number 112,366,</b></p> <p>20 <b>is total for both L31 and A34 for all model years?</b></p> <p>21 A. I can't say for certain. Just based on what</p> <p>22 I'm seeing her, because this entire -- this is the</p> <p>23 entire document?</p> <p>24 <b>Q. Yeah. That's exactly the entire document.</b></p> <p>25 <b>I'll double check for you since I've got...</b></p>
Page 334	Page 336
<p>1 kilometers, I'm assuming, 29,000?</p> <p>2 A. Yes.</p> <p>3 <b>Q. So that means these vehicles were expected to</b></p> <p>4 <b>have about 29,000 kilometers -- kilometers a -- a</b></p> <p>5 <b>year on them; is that right? Or yearly miles of</b></p> <p>6 <b>18,125?</b></p> <p>7 A. That -- that looks to be this number,</p> <p>8 correct, 18,125 for miles, yes.</p> <p>9 <b>Q. All right. And then if you look at the</b></p> <p>10 <b>left-hand side again, there's a flat rate time one</b></p> <p>11 <b>side 1.1. Is that an estimate of how many hours it</b></p> <p>12 <b>would take to fix one side?</b></p> <p>13 A. This would have been an estimate at the time</p> <p>14 of this of how long it would take to fix one side</p> <p>15 yeah, 1.1 hours.</p> <p>16 <b>Q. And then the estimate to fix both sides was</b></p> <p>17 <b>2.2 hours; is that right?</b></p> <p>18 A. According to this, yes.</p> <p>19 <b>Q. Now, under that it says estimated number of</b></p> <p>20 <b>salt state vehicles still on road. And there's a</b></p> <p>21 <b>number of .6224. Do you see that?</b></p> <p>22 A. I do.</p> <p>23 <b>Q. What does that represent?</b></p> <p>24 A. This would have been an estimate from Jessica</p> <p>25 based on scrape rates that she pulled from her --</p>	<p>1 <b>Yeah. There's only one sheet and this is it</b></p> <p>2 <b>in the -- in what we were provided. If you don't</b></p> <p>3 <b>know you don't know.</b></p> <p>4 A. Yeah. It's hard for me to speak to this</p> <p>5 without more context, I'll just say that.</p> <p>6 <b>Q. Okay. Because what's odd to me was that</b></p> <p>7 <b>there's a perforation amount that's higher 410,000,</b></p> <p>8 <b>and then, I guess, what they're doing is adding</b></p> <p>9 <b>surface rust and perforation as 522,634, but?</b></p> <p>10 A. Yeah. This is -- this looks like a -- a</p> <p>11 calculation to try to estimate the number of</p> <p>12 vehicles on the road for this issue that have either</p> <p>13 surface rust perforation or a to- -- in total, and</p> <p>14 also a none state -- none salt state total. But</p> <p>15 it's not -- there's not --</p> <p>16 <b>Q. So your best guess, based on this document --</b></p> <p>17 <b>and sort of your experience dealing with these</b></p> <p>18 <b>issue, is that there were a total of 522,634 cars in</b></p> <p>19 <b>salt areas that had either surface rust and</b></p> <p>20 <b>perforation as of the day of this document,</b></p> <p>21 <b>May 2015?</b></p> <p>22 A. This appears to be an attempt to estimate</p> <p>23 those -- those totals.</p> <p>24 <b>Q. Right. And then the estimates total number</b></p> <p>25 <b>of cars on the road, as of May 2015, with surface</b></p>

84 (Pages 333 to 336)

<p style="text-align: right;">Page 337</p> <p>1 rust and or perforation total, was about 326,124?</p> <p>2 A. Potential vehicles according to this</p> <p>3 calculation.</p> <p>4 <b>Q. Okay. And then it provides a none sa --</b></p> <p>5 <b>state salt -- none salt state total of around 209?</b></p> <p>6 A. Correct.</p> <p>7 <b>Q. Okay. Put that aside?</b></p> <p>8 MR. CALABRO: We'll mark as Exhibit 54</p> <p>9 document with Bates number NNA2751.</p> <p>10 (WHEREUPON, the above-mentioned</p> <p>11 document was marked as Exhibit Number 54.)</p> <p>12 BY MR. CALABRO:</p> <p>13 <b>Q. Now, what I'm mainly interested in on this</b></p> <p>14 <b>one is, we talked already about alliance connect.</b></p> <p>15 <b>We talked already about this Weibell forecast issue.</b></p> <p>16 <b>The -- the document isn't attached, and it</b></p> <p>17 <b>says it's at this link. And I'm wondering if you</b></p> <p>18 <b>know what this Nissan America workspace</b></p> <p>19 <b>shared.JP.Nissan.biz domain is?</b></p> <p>20 A. This is the Alliance connect site.</p> <p>21 <b>Q. Okay. Very good. Put that aside.</b></p> <p>22 MR. CALABRO: All right. So we'll mark</p> <p>23 as Exhibit 55 document with Bates Number NNA4090</p> <p>24 through 93.</p> <p>25 (WHEREUPON, the above-mentioned</p>	<p style="text-align: right;">Page 339</p> <p>1 document was marked as Exhibit Number 57.)</p> <p>2 BY MR. CALABRO:</p> <p>3 <b>Q. Looks like one of us lost a page.</b></p> <p>4 A. (Witness reviews document.)</p> <p>5 <b>Q. Any reason to doubt you received this e-mail</b></p> <p>6 <b>and attachments as presented here as Exhibit 57?</b></p> <p>7 A. No reason to doubt.</p> <p>8 MR. CALABRO: Okay. We'll mark as</p> <p>9 Exhibit 58 a document with Bates number NNA2573</p> <p>10 through 2574.</p> <p>11 (WHEREUPON, the above-mentioned</p> <p>12 document was marked as Exhibit Number 58.)</p> <p>13 BY MR. CALABRO:</p> <p>14 <b>Q. Any reason to doubt that you received the</b></p> <p>15 <b>e-mail and attachments as provided here in</b></p> <p>16 <b>Exhibit 58?</b></p> <p>17 A. No reason to doubt.</p> <p>18 MR. CALABRO: Mark as Exhibit 59 the</p> <p>19 document with Bates number NNA2576 through 80.</p> <p>20 (WHEREUPON, the above-mentioned</p> <p>21 document was marked as Exhibit Number 59.)</p> <p>22 BY MR. CALABRO:</p> <p>23 <b>Q. Any reason to doubt you received the e-mail</b></p> <p>24 <b>and attachments as provided here in Exhibit 59?</b></p> <p>25 A. No reason to doubt.</p>
<p style="text-align: right;">Page 338</p> <p>1 document was marked as Exhibit Number 55.)</p> <p>2 BY MR. CALABRO:</p> <p>3 <b>Q. Let me know when you're had a chance to see</b></p> <p>4 <b>that, sir.</b></p> <p>5 A. (Witness reviews document.)</p> <p>6 Okay.</p> <p>7 <b>Q. So my question is only, any reason to doubt</b></p> <p>8 <b>that you participated in this e-mail chain in the</b></p> <p>9 <b>form represented here as Exhibit 55?</b></p> <p>10 A. No reason to doubt.</p> <p>11 MR. CALABRO: All right. We'll mark as</p> <p>12 Exhibit 56 documents with Bates Number NNA2519</p> <p>13 through 24.</p> <p>14 (WHEREUPON, the above-mentioned</p> <p>15 document was marked as Exhibit Number 56.)</p> <p>16 BY MR. CALABRO:</p> <p>17 <b>Q. The question here is the same one whether</b></p> <p>18 <b>there's any reason to doubt that you received this</b></p> <p>19 <b>e-mail and attachments in the form presented here as</b></p> <p>20 <b>Exhibit 56?</b></p> <p>21 A. No reason to doubt.</p> <p>22 MR. CALABRO: All right. We'll mark as</p> <p>23 Exhibit 57 document with Bates Number NNA2533</p> <p>24 through 66.</p> <p>25 (WHEREUPON, the above-mentioned</p>	<p style="text-align: right;">Page 340</p> <p>1 MR. CALABRO: All right. We'll mark as</p> <p>2 Exhibit 60 document with Bates Number NNA 2581</p> <p>3 through 87.</p> <p>4 (WHEREUPON, the above-mentioned</p> <p>5 document was marked as Exhibit Number 60.)</p> <p>6 THE WITNESS: Okay.</p> <p>7 BY MR. CALABRO:</p> <p>8 <b>Q. Any reason to doubt you received the e-mail</b></p> <p>9 <b>and the attachments as provided here in Exhibit 60?</b></p> <p>10 A. No reason to doubt.</p> <p>11 MR. CALABRO: All right. Well, mark as</p> <p>12 Exhibit 61 document with Bates number NNA5048</p> <p>13 through 52.</p> <p>14 (WHEREUPON, the above-mentioned</p> <p>15 document was marked as Exhibit Number 61.)</p> <p>16 THE WITNESS: Okay.</p> <p>17 BY MR. CALABRO:</p> <p>18 <b>Q. Any reason to doubt you received the e-mail</b></p> <p>19 <b>and attachments provided here --</b></p> <p>20 <b>A. No.</b></p> <p>21 <b>Q. -- as Exhibit 61?</b></p> <p>22 A. No reason to doubt.</p> <p>23 MR. CALABRO: Okay. Mark as Exhibit 62</p> <p>24 document with Bates Number NNA5053 through 54.</p> <p>25 (WHEREUPON, the above-mentioned</p>

85 (Pages 337 to 340)

<p>Page 341</p> <p>1 document was marked as Exhibit Number 62.)</p> <p>2 THE WITNESS: Okay.</p> <p>3 BY MR. CALABRO:</p> <p>4 <b>Q. Any reason to doubt you received -- you</b></p> <p>5 <b>received the e-mails provided here in Exhibit 62?</b></p> <p>6 A. No reason to doubt.</p> <p>7 <b>Q. Yeah. I did want to ask one quick question</b></p> <p>8 <b>about this one, though.</b></p> <p>9 A. Okay.</p> <p>10 <b>Q. If you look down at the originating e-mail</b></p> <p>11 <b>from you to Ari and Mr. Nangle, you're asking some</b></p> <p>12 <b>questions about the repair; is that right?</b></p> <p>13 A. I am, about the AFR repair.</p> <p>14 <b>Q. All right. And then it looks like</b></p> <p>15 <b>Mr. Nangle replies in that same message, in maybe in</b></p> <p>16 <b>a different color font, do you see that?</b></p> <p>17 A. Yes.</p> <p>18 <b>Q. All right. Your question number 1 is, could</b></p> <p>19 <b>you provide the service part number for the new</b></p> <p>20 <b>floor panel patch that will be used in the TSB</b></p> <p>21 <b>repair. Do you see that?</b></p> <p>22 A. I do see that.</p> <p>23 <b>Q. All right. And then he provides,</b></p> <p>24 <b>G4312-ZB00A. Do you see that?</b></p> <p>25 A. I do.</p>	<p>Page 343</p> <p>1 A. Sure.</p> <p>2 <b>Q. Okay. Okay. You can set that aside.</b></p> <p>3 MR. CALABRO: We'll mark as Exhibit 63</p> <p>4 document with Bates number NNA4564 through 65.</p> <p>5 (WHEREUPON, the above-mentioned</p> <p>6 document was marked as Exhibit Number 63.)</p> <p>7 THE WITNESS: Okay.</p> <p>8 BY MR. CALABRO:</p> <p>9 <b>Q. Okay. You'll see that this an e-mail from</b></p> <p>10 <b>Carrie Simpson to you dated May 19, 2015.</b></p> <p>11 A. Yes, I see that.</p> <p>12 <b>Q. Okay. Any reason to doubt that you received</b></p> <p>13 <b>this e-mail and attachment as provided here as</b></p> <p>14 <b>Exhibit 63?</b></p> <p>15 A. No reason to doubt.</p> <p>16 <b>Q. Now, if you look at the actual attachment it</b></p> <p>17 <b>says -- it's a daft PowerPoint; is that right?</b></p> <p>18 A. Yes. It appears to be a draft PowerPoint.</p> <p>19 <b>Q. All right. I'd like you to look at the slide</b></p> <p>20 <b>with the title Number 3 option?</b></p> <p>21 A. Okay.</p> <p>22 <b>Q. Now, is this a fair representation -- strike</b></p> <p>23 <b>the question.</b></p> <p>24 <b>Is this an accurate representation of the</b></p> <p>25 <b>different options Nissan was considering as of</b></p>
<p>Page 342</p> <p>1 <b>Q. Any reason to doubt that that's the part</b></p> <p>2 <b>number for the actual repair panel?</b></p> <p>3 A. No. That matches the -- what's on the TSB.</p> <p>4 <b>Q. Okay. Then you say in question 2, Could you</b></p> <p>5 <b>provide any cost information for this part, if it</b></p> <p>6 <b>has already been established?</b></p> <p>7 <b>And then he writes back what appears to say,</b></p> <p>8 <b>Dealer net equal 62.5. Do you see that?</b></p> <p>9 A. Uh-huh.</p> <p>10 <b>Q. And MSRP \$104.16, do you see that?</b></p> <p>11 A. I se- -- I do see that.</p> <p>12 <b>Q. It says, Average in store cost is currently</b></p> <p>13 <b>64.71. Do you see that?</b></p> <p>14 A. I do.</p> <p>15 <b>Q. So what's the difference between dealer net</b></p> <p>16 <b>and in store cost?</b></p> <p>17 A. Dealer net and in store cost. So deal- --</p> <p>18 dealer net is what the part is sold to at the -- to</p> <p>19 the dealer. MSRP, we've already talked about.</p> <p>20 <b>Q. Yeah.</b></p> <p>21 A. I want to confirm -- I need to confirm about</p> <p>22 average in store cost. I don't want to misspeak.</p> <p>23 <b>Q. Okay.</b></p> <p>24 A. Okay.</p> <p>25 <b>Q. Would you do that for me?</b></p>	<p>Page 344</p> <p>1 <b>May 2015?</b></p> <p>2 A. This appears to be three options which were</p> <p>3 up for consideration at the tim- -- at 2015 timing.</p> <p>4 <b>Q. Okay. And do the pros and the cons and the</b></p> <p>5 <b>costs as provided in this chart accurately reflect</b></p> <p>6 <b>the considerations that went into evaluating these</b></p> <p>7 <b>options?</b></p> <p>8 MR. LAW: Object. The question is</p> <p>9 overbroad; vague.</p> <p>10 THE WITNESS: Generally, yes. I do want</p> <p>11 to make a comment, though.</p> <p>12 BY MR. CALABRO:</p> <p>13 <b>Q. Yes, please.</b></p> <p>14 A. On option 3.</p> <p>15 <b>Q. Yep.</b></p> <p>16 A. I don't really know the context of increased</p> <p>17 to class action risk in the customer field</p> <p>18 dissatisfaction.</p> <p>19 <b>Q. You don't know the context?</b></p> <p>20 A. Uh-huh. I'm not sure why that was included</p> <p>21 here.</p> <p>22 <b>Q. Okay. Do you have any facts to dispute that</b></p> <p>23 <b>was, in fact, a consideration?</b></p> <p>24 A. I don't have any facts to dispute, but I</p> <p>25 don- -- but I do not understand why that's listed</p>

86 (Pages 341 to 344)

<p style="text-align: right;">Page 345</p> <p>1 here.</p> <p>2 <b>Q. Okay. Do you know who prepared this slide or</b></p> <p>3 <b>the information in the this slide.</b></p> <p>4 A. This would have been a -- looks like a</p> <p>5 version that was going back and forth between FQA,</p> <p>6 my team and CQ0.</p> <p>7 <b>Q. Let's see if I can pull up the (inaudible) on</b></p> <p>8 <b>this particular document.</b></p> <p>9 <b>Is there anything incomplete or left out</b></p> <p>10 <b>that you know of as of May 2015 that was going into</b></p> <p>11 <b>the decision making process as reflected in this</b></p> <p>12 <b>chart?</b></p> <p>13 MR. LAW: Well, object. The question is</p> <p>14 vague and overbroad and lacks foundation.</p> <p>15 THE WITNESS: There's nothing that</p> <p>16 sticks out as missing to me.</p> <p>17 BY MR. CALABRO:</p> <p>18 <b>Q. And aside from that one issue in class action</b></p> <p>19 <b>risk, is there anything that you think is inaccurate</b></p> <p>20 <b>in this chart?</b></p> <p>21 MR. LAW: Well, there's another</p> <p>22 reference to class action below it.</p> <p>23 THE WITNESS: Yeah. So other than those</p> <p>24 two points, I don't see anything else that I would</p> <p>25 consider inaccurate.</p>	<p style="text-align: right;">Page 347</p> <p>1 A. What I can say is I don't specifically</p> <p>2 remember my team putting this in.</p> <p>3 <b>Q. Okay. But the only teams that were</b></p> <p>4 <b>contributing to this particular PowerPoint was your</b></p> <p>5 <b>team and somebody in Japan at MML?</b></p> <p>6 A. NML, correct.</p> <p>7 <b>Q. And that was CQ10?</b></p> <p>8 A. CQ0.</p> <p>9 <b>Q. CQ0, sorry?</b></p> <p>10 A. Yeah.</p> <p>11 MR. CALABRO: Okay. We'll mark as</p> <p>12 Exhibit 64 document with Bates Number 105.</p> <p>13 (WHEREUPON, the above-mentioned</p> <p>14 document was marked as Exhibit Number 64.)</p> <p>15 BY MR. CALABRO:</p> <p>16 <b>Q. Do you recognize this document?</b></p> <p>17 A. Yes. This appears to be summary information</p> <p>18 from a TR, technical report in the market.</p> <p>19 <b>Q. I might have said that Bates number wrong?</b></p> <p>20 A. Okay.</p> <p>21 <b>Q. We're marking as Exhibit 64, the document</b></p> <p>22 <b>with Bates number 3011 through 3019. Sorry about</b></p> <p>23 <b>that.</b></p> <p>24 A. That's okay.</p> <p>25 <b>Q. And I'm sorry, what was your answer? What</b></p>
<p style="text-align: right;">Page 346</p> <p>1 BY MR. CALABRO:</p> <p>2 <b>Q. Okay. Now, with respect to the class action</b></p> <p>3 <b>references, you're not saying they're wrong, you're</b></p> <p>4 <b>just saying you don't know either way, why it's in</b></p> <p>5 <b>there?</b></p> <p>6 A. Correct. I'm not -- I'm not saying that</p> <p>7 they're wrong, I just don't -- I don't recollect my</p> <p>8 team placing that in there.</p> <p>9 <b>Q. All right. Looks like the metadata for this</b></p> <p>10 <b>particular PowerPoint presentation, I can represent</b></p> <p>11 <b>to you that the author is identified as Micki Tahara</b></p> <p>12 <b>(phonetic) with an e-mail address at</b></p> <p>13 <b>Tedsudayoshimuda@mail.nissan.co.JP (phonetic).?</b></p> <p>14 A. Okay. That's an NML employee. I don't know</p> <p>15 if he was a member of CQ0 or not. The name doesn't</p> <p>16 ring a bell.</p> <p>17 <b>Q. Okay. And last modified by Carrie Simpson.</b></p> <p>18 A. Yeah. So this document, if I remember, was</p> <p>19 going back and forth between the two teams.</p> <p>20 <b>Q. Okay. So is there anybody else on your team,</b></p> <p>21 <b>other than you and Carrie Simpson, who may have been</b></p> <p>22 <b>contributing information to this PowerPoint?</b></p> <p>23 A. From the FQA side, I would say no.</p> <p>24 <b>Q. Okay. So this class action risk was probably</b></p> <p>25 <b>printed by somebody other than your team?</b></p>	<p style="text-align: right;">Page 348</p> <p>1 <b>was this document? What is this document?</b></p> <p>2 A. This appears to be a summary from a technical</p> <p>3 report reproduced by a -- a technical service</p> <p>4 manager in the field.</p> <p>5 <b>Q. We might have marked this already.</b></p> <p>6 A. I feel like I've seen this already.</p> <p>7 <b>Q. Sorry, I'm losing my mind.</b></p> <p>8 MR. CALABRO: We'll mark as Exhibit 65,</p> <p>9 document with Bates number -- well, we don't have</p> <p>10 the Bates number.</p> <p>11 (WHEREUPON, the above-mentioned</p> <p>12 document was marked as Exhibit Number 65.)</p> <p>13 BY MR. CALABRO:</p> <p>14 <b>Q. I think I'll represent to you that this is</b></p> <p>15 <b>Bates Number 4 -- NNA4059 which actually, now that I</b></p> <p>16 <b>think about it -- look back at -- two exhibit ago</b></p> <p>17 <b>that we marked.</b></p> <p>18 A. This one?</p> <p>19 <b>Q. Yeah. What's the Bates number on this one.</b></p> <p>20 <b>Okay. Now, with respect to this document, sir, I</b></p> <p>21 <b>will represent that it was -- metadata shows that it</b></p> <p>22 <b>was authored my Niki Tahara, the same person. Last</b></p> <p>23 <b>modified by Steve Miller --</b></p> <p>24 A. Okay.</p> <p>25 <b>Q. -- and it came out of your documents.</b></p>

87 (Pages 345 to 348)



<p>Page 349</p> <p>1 A. Okay.</p> <p>2 <b>Q. All right. So do you recognize the document.</b></p> <p>3 A. Yes.</p> <p>4 <b>Q. What to you recognize it to be?</b></p> <p>5 A. This appears to be a different version of the</p> <p>6 document from Exhibit 63.</p> <p>7 <b>Q. Okay. Also in the May 2015 timeframe?</b></p> <p>8 A. Yes.</p> <p>9 <b>Q. Can you tell by looking at this, whether it</b></p> <p>10 <b>was before or after what we marked as, I guess, 63?</b></p> <p>11 A. I believe this was after.</p> <p>12 <b>Q. Okay. And the metadata suggest that this</b></p> <p>13 <b>was -- I know -- it doesn't have a created date.</b></p> <p>14 <b>It has a last modified date of May 29th, 2015?</b></p> <p>15 A. Okay.</p> <p>16 <b>Q. Does that sound about accurate?</b></p> <p>17 A. That sounds about accurate, yes.</p> <p>18 <b>Q. If you look back on the option slide again --</b></p> <p>19 A. Uh-huh.</p> <p>20 <b>Q. -- Number 3 option, I'm going to ask you the</b></p> <p>21 <b>same questions.</b></p> <p>22 <b>Does this look accurate as to the criteria</b></p> <p>23 <b>or factors that Nissan was considering with respect</b></p> <p>24 <b>to these option as in the May 2015 timeframe?</b></p> <p>25 A. It does seem -- comment about -- the only</p>	<p>Page 351</p> <p>1 A. At this time, I would say, no.</p> <p>2 <b>Q. Okay. So this is a comprehensive display of</b></p> <p>3 <b>options and the considerations for each of the</b></p> <p>4 <b>options Nissan was considering in May of 2015?</b></p> <p>5 A. Correct.</p> <p>6 <b>Q. At the very right-hand corner it says,</b></p> <p>7 <b>confirm cost per option and NNA one voice. Do you</b></p> <p>8 <b>see that?</b></p> <p>9 A. Yeah, I do.</p> <p>10 <b>Q. Okay. NNA one voice, is that same thing that</b></p> <p>11 <b>we referenced earlier, the global one voice?</b></p> <p>12 A. No, no, no. Global one voice is actually a</p> <p>13 communication document that goes out to global TCS</p> <p>14 functions.</p> <p>15 <b>Q. NNA one voice?</b></p> <p>16 A. NNA one voice here would have been basically</p> <p>17 NN- -- NNA's proposal at our CSO level.</p> <p>18 <b>Q. CSO means what?</b></p> <p>19 A. Chief safety officer.</p> <p>20 <b>Q. Okay.</b></p> <p>21 A. Sorry. And, of course -- and let me confirm</p> <p>22 that. In this case, not only him, but we also were</p> <p>23 presenting to the vice presidents at that MBCNA</p> <p>24 discussion in June.</p> <p>25 <b>Q. Does vital issues consider itself only with</b></p>
<p>Page 350</p> <p>1 bullet point that I would -- or two-points about the</p> <p>2 class action.</p> <p>3 <b>Q. Okay.</b></p> <p>4 A. I'm unsure why those are there. All of the</p> <p>5 other point appears to be accurate as of that time.</p> <p>6 <b>Q. Now, in that bottom right-hand corner, it</b></p> <p>7 <b>says, potential GW. Does that mean goodwill?</b></p> <p>8 A. It does.</p> <p>9 <b>Q. Okay. So that's what we were discussing</b></p> <p>10 <b>earlier that you would -- and by you -- well, the</b></p> <p>11 <b>strike question.</b></p> <p>12 <b>That Nissan would consider paying for some</b></p> <p>13 <b>repair out of goodwill budget based on a</b></p> <p>14 <b>case-by-case basis?</b></p> <p>15 A. That's correct.</p> <p>16 <b>Q. Was there any criteria specifically for this</b></p> <p>17 <b>incident?</b></p> <p>18 A. For --</p> <p>19 <b>Q. L31, A43 -- yeah L31, A34 floor pan issue,</b></p> <p>20 <b>were there any criteria specific to this incident in</b></p> <p>21 <b>which goodwill money could be used for repairs of</b></p> <p>22 <b>this particular problem?</b></p> <p>23 A. Not to my knowledge.</p> <p>24 <b>Q. Okay. Were there any other options being</b></p> <p>25 <b>considered by Nissan at this time, May of 2015?</b></p>	<p>Page 352</p> <p>1 <b>safety and regulatory issues?</b></p> <p>2 A. The vital issues process is inclusive of both</p> <p>3 safety, regulatory, and customer satisfaction</p> <p>4 issues.</p> <p>5 <b>Q. Okay. So in this particular case, when we</b></p> <p>6 <b>were talking about, that as of 2011 Nissan had</b></p> <p>7 <b>determined there wasn't a safety issue, but they</b></p> <p>8 <b>were still considering service campaigns, in, for</b></p> <p>9 <b>example, in 2012 and 2013, that still would have</b></p> <p>10 <b>been part of -- of vital issues group?</b></p> <p>11 A. That's -- that's right. The FQA vital issues</p> <p>12 team would have coord- -- you know, coordinated</p> <p>13 those studies with the other groups.</p> <p>14 <b>Q. Even though safety issue had already been</b></p> <p>15 <b>ruled out for Nissan's purposes?</b></p> <p>16 A. That's correct.</p> <p>17 MR. CALABRO: Okay. Let's just take a</p> <p>18 quick break and see if I'm done.</p> <p>19 MR. LAW: Okay.</p> <p>20 THE VIDEOGRAPHER: We're off the record</p> <p>21 at 6:20 p.m.</p> <p>22 (Short break.)</p> <p>23 THE VIDEOGRAPHER: We are back on the</p> <p>24 record at 6:21 p.m.</p> <p>25 ///</p>

88 (Pages 349 to 352)

<p>Page 353</p> <p>1 BY MR. CALABRO: 2 <b>Q. So we talked a little bit before about</b> 3 <b>Nissan's investigation of the actual rust relevant</b> 4 <b>to this issue, and that it was all coming from the</b> 5 <b>holes that we saw in the floor pan, right?</b> 6 A. Yeah, for this specific issue, correct. 7 <b>Q. And is it true that the corrosion pattern</b> 8 <b>that Nissan saw in vehicles it reviewed and analyzed</b> 9 <b>and investigated was the same similar pattern of</b> 10 <b>rust emanating from those holes?</b> 11 MR. LAW: Object to same or similar. 12 It's vague even ambiguous. 13 THE WITNESS: They were various 14 patterns, but they all emanated from that area where 15 the -- the butyl patch was not properly applied. 16 BY MR. CALABRO: 17 <b>Q. When you say there were various patterns,</b> 18 <b>what do you mean by that?</b> 19 A. Well, various levels of corrosion as we've 20 talked today. 21 <b>Q. So some of them went further out --</b> 22 A. Sure. 23 <b>Q. -- than others; but it was the same general</b> 24 <b>shape coming from the holes in the pan?</b> 25 A. I'll say it was in the same general area,</p>	<p>Page 355</p> <p>1 <b>soaking, salty snowboots could saturate carpet and</b> 2 <b>also cause corrosion from the inside down?</b> 3 MR. LAW: Objection. 4 THE WITNESS: That was reviewed, but for 5 this specific concern, there was no -- there was no 6 indication that was the case. 7 BY MR. LAW: 8 <b>Q. Okay. And then with respect to the</b> 9 <b>communication with NHTSA, the prior question I'd</b> 10 <b>asked whether NHTSA did its own independent</b> 11 <b>investigation do you recall that?</b> 12 A. I do recall that, yes. 13 <b>Q. Okay. Did they have any interactions with</b> 14 <b>Nissan in terms of evaluating the information that</b> 15 <b>was presented by Nissan to them in the course of</b> 16 <b>the -- the back and forth on the issue?</b> 17 A. There was validation of our assessment by -- 18 by NHTSA even though they didn't do their own study. 19 They did validate our results and reviewed the 20 assessment. 21 <b>Q. And -- and what's your general understanding</b> 22 <b>of how that happens?</b> 23 A. Well, in this case I know it was reviewed in 24 a face-to-face meeting in February of 2012 and was 25 validated by NHTSA.</p>
<p>Page 354</p> <p>1 general shape is a little bit -- a little bit vague 2 to say. 3 <b>Q. Okay.</b> 4 A. But same area, different levels of corrosion. 5 <b>Q. Does Nissan think customers did anything that</b> 6 <b>contributed to the -- either the fact that there was</b> 7 <b>rust or the degree of rust?</b> 8 MR. LAW: I'll object that question is 9 vague, ambiguous, and overbroad. 10 THE WITNESS: There was nothing from our 11 investigation that showed there was a 12 customer-related concern here as far as a customer 13 helping to create the issue. 14 BY MR. CALABRO: 15 <b>Q. Or contributing to the issue?</b> 16 A. No. 17 MR. CALABRO: Okay. No further 18 questions. 19 MR. LAW: A couple quick ones. 20 21 EXAMINATION 22 QUESTIONS BY MR. LAW: 23 <b>Q. We'll start with the last answer. With</b> 24 <b>respect to creating a rust condition on the floor</b> 25 <b>pan of these vehicles, did you consider that wet</b></p>	<p>Page 356</p> <p>1 MR. LAW: Okay. Thank you. That's all 2 I have. 3 4 EXAMINATION 5 QUESTIONS BY MR. CALABRO: 6 <b>Q. I just want to follow up on that question.</b> 7 <b>When you say it was validated by NHTSA, what does</b> 8 <b>that mean?</b> 9 A. Well, they -- they evaluated with us, the 10 results and confirmed that they agreed. 11 <b>Q. Okay. With what your results was?</b> 12 A. That's correct. 13 <b>Q. All right. Did NIT- -- NHTSA propose any</b> 14 <b>investigation other than what you had done?</b> 15 A. They did not. 16 MR. CALABRO: Okay. No further 17 questions. 18 MR. LAW: All right, thank you. 19 THE VIDEOGRAPHER: Hearing no objection, 20 this concludes the deposition. We are off the 21 record at 6:25 p.m. 22 (WHEREUPON, the foregoing Videotaped 23 deposition was concluded at 6:25 p.m.) 24 25</p>

89 (Pages 353 to 356)

Page 357

REPORTER'S CERTIFICATE

STATE OF TENNESSEE

COUNTY OF RUTHERFORD

I, April C. Howard, Licensed Court  
Reporter, with offices in Franklin, Tennessee,  
hereby certify that I reported the foregoing  
Confidential videotaped deposition of STEPHEN  
MILLER by machine shorthand to the best of my  
skills and abilities, and thereafter the same was  
reduced to typewritten form by me. I am not  
related to any of the parties named herein, nor  
their counsel, and have no interest, financial or  
otherwise, in the outcome of the proceedings.

I further certify that in order for this  
document to be considered a true and correct copy,  
it must bear my original signature, and that any  
unauthorized reproduction in whole or in part  
and/or transfer of this document is not authorized,  
will not be considered authentic, and will be in  
violation of Tennessee Code Annotated 39-14-104,  
Theft of Services.

\_\_\_\_\_  
April C. Howard, LCR  
Elite Reporting Services  
Associate Reporter  
Notary Public State of Tennessee

My Notary Public Commission Expires: 04.20.20  
LCR # 098 - Expires: 06.30.20

90 (Page 357)